

Oasis



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Oasis

EDITORIAL

Vol. 11 August 1965 No. 8

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COVER-Artist's sketch of the historical exhibit which went on display this month in the lobby of the Social Security Building, depicts the social security program and its administration over the past 30 years. The exhibit was designed by the Graphics Units, DM, with technical assistance from the SSA Historian and the Office of Information.

HISTORY, LEGISLATION, REORGANIZATION : These are the basic ingredients that make up this issue of your OASIS.

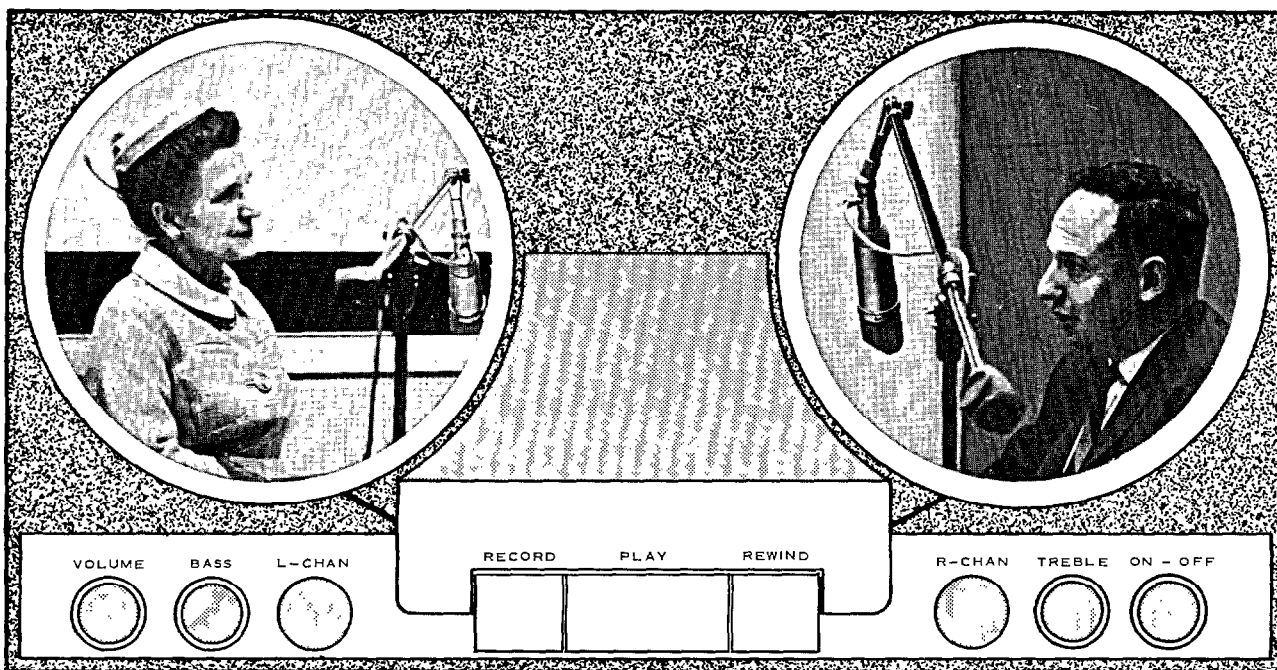
When 30 years ago this month, the original Social Security Act became law, the foundation for the 1965 amendments, hailed by many as "the most significant social legislation in history," was laid. Enlarged and improved over the past three decades, the program has brought a substantial measure of security to the old, the disabled, and to widows and orphans.

Tried and proven as a system of contributing in one's working years in order to provide a family income in old age or in case of death or disability, social security now becomes the means of providing health insurance protection for the elderly.

Virtually unchanged since 1942, the structure to administer the program has also been remodeled to accommodate technological advances and additional program responsibilities. It comes at an opportune time.

Strengthened by 30 years of successful program administration, supported by a new organizational structure, the men and women of the Social Security Administration are face-to-face with their toughest assignment. Whatever their job, wherever they work, all are helping to build a stronger America.

Most of the copy for this issue of OASIS was sent to the printer before reorganization of the Social Security Administration was announced. Therefore, except for the reorganization story on page 19, articles and picture captions do not reflect the recent changes.



SSA Historian Abe Bortz interviews Maurine Mulliner, first Secretary of the Social Security Board. People who participated in events to be chronicled are an important source of information for the historian of contemporary times.

RECORDING HISTORY

LIKE JANUS, THE ROMAN GOD of gates and doors, the Social Security Administration this month is looking in two directions: Toward the future and the implementation of recent legislation which greatly expands SSA's responsibilities for service to the American people; and back into the past, to the beginnings of the program 30 years ago.

Knowing about the past helps us understand the present and plan for the future. For example, a patient's medical history helps the doctor in making a diagnosis and prescribing treatment. Or consider scientific research and development: it is based on the recorded experiences, successful or unsuccessful, of the past.

Experience gained and lessons learned during the first 30 years of operation of the social security program will make the task ahead easier. Progress and problems during this period are now being recorded for the benefit and assistance of those who will carry the program forward into the future.

The SSA historical program was established in May 1963, with the appointment of Abe Bortz as SSA His-

torian, in the Division of Research and Statistics. Abe earned his Ph. D. degree in American social history at Harvard University and served for several years as an historian with the Department of the Army.

An SSA Advisory Group on the Historical Program was formed to provide advice on early shaping of plans and goals and to be available periodically to evaluate the program as activities progress. The Group is composed of Ida Merriam, Director, DRS; Heyman Cooper, Executive Assistant, DRS; Leona Mac Kinnon, Assistant to the Commission, SSA; Hugh McKenna, Director, DFO; Arthur Hess, Director, DDO; and Henry Schumer, Technical Advisor, DPEP.

And, to help provide broad guidelines on the nature and scope of the program, three historians-authorities in 20th-century American social history-have been chosen from the academic field as consultants. They are : Profs. William Leuchtenburg, Columbia University; Sam Hays, University of Pittsburgh; and Clarke Chambers, University of Minnesota.

They are called upon periodically to provide advice

of a professional character, especially with a view toward the development of useful historical-archival tools that could stimulate interest in social security as a subject for scholarly study and research in academic circles. If the location, availability, and content of SSA historical materials are known, many graduate students and historical scholars may be attracted to do research in depth in various phases of the program.

The historian has two principle tasks: finding out what happened in the past and why (research and analysis) ; and recording the flow of events in a narrative (writing) . This reconstruction of the past requires the use of certain "tools." These tools help the historian gather the facts with which, piece by piece, he will fashion his story. Without the facts, his tale can be only imaginary, and thus fiction instead of history.

Tool One: Documents

The basic tool with which the historian works is the document: information which has been preserved by the written word. Documents take many forms; they may be letters, diaries, wills, certificates, reports, newspapers, magazines, books, ledgers, minutes-any paper with information which sheds light on the topic of interest. Some documents are official, prepared by a government or organization for the very purpose of putting the data on record. Others may be written only for the use or the interest of the moment, but, surviving by chance, may later provide a clue or fact, otherwise lost.

Abe, as SSA Historian, has a wealth of written material at his disposal. The library of the Department of Health, Education, and Welfare maintains a fairly complete collection of materials printed or published by the Social Security Board, SSA, and individual bureaus. Records of the Committee on Economic Security (whose members drafted the original Social Security Act), and of the Board from 1935 to 1942, are preserved in the National Archives in Washington, as are those accumulated by the Executive Director of the Board from 1941-1946, and other similar collections.

The minutes of meetings held by the Board and the Commissioner, along with a set of informal notes of the meetings, and a collection of numbered documents-many relating to the establishment of policies and procedures-also contain much valuable informa-

From these documents in folders, notebooks, and storage envelopes, Abe will collect the facts necessary to establish some point in SSA's history. Papers from the past are a basic tool of the historian.

tion. These are now kept at Social Security headquarters.

SSA records management specialists survey, under Abe's guidance, current documents to make certain that materials of historical value are preserved.

In addition to these extensive files of official documents thoughtfully preserved, there are also many important individual collections of materials that have been turned over by key persons to university or other repositories or are still in private custody.

The amount of written source material available on the establishment and operation of the social security program during its first 30 years *is* indeed voluminous. The records of the Committee on Economic Security alone fill 77 boxes each one-third of a cubic foot.

Abe is working on pamphlets which will provide-in considerable detail-what is available and where. These should prove invaluable tools for SSA personnel and historians alike.

Tool Two: Interviews

But the story of any event is seldom committed to paper in its entirety. Many discussions and decisions are made over the telephone or the coffee cups, or in other personal encounters. While last year's secretary of your club may have taken minutes of the meetings in almost verbatim form, this year's secretary may give only the gist of the discussions or even only a summary of the final decisions. Also, written records may be lost or destroyed by fire or other accident or, perhaps, even by intent.

For this reason, the historian seeking to reconstruct events of recent times has an advantage over the historian interested in, say, ancient Egypt. The former

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Recording History

Continued from page 9

can meet and talk with, or correspond with, the key figures who witnessed and shaped the events. The historian of contemporary times thus has a second tool, a very important and illuminating one, with which to work: people, the actors in the drama to be told. They can provide answers to perplexing questions and suggest additional pertinent information which might be obtained.

The SSA historical program includes an extensive interview project, to make the most of the fortunate availability of those who have firsthand knowledge of the early years of social security. These interviews, taped for future reference, supply information to fill gaps in written records, and record the voice and provide clues to the character and personality of those who help shape the program and its operations.



Secretary Helen Miller (l.) assists Abe in the identification of some photographs from the early days of the SSA program. Such products represent a third tool, which-when, added to the tools of documents and interviews-help reconstruct history.

Because of the inroads of the years upon the people of the early days of social security, timeliness of the interview program is significant. A contract was made with the Oral History Research Office of Columbia University to take advantage of its experience, re-

sources, and trained interviewers in expediting the project.

Among those being interviewed, some by Abe and some by the Columbia interviewer, are people who played an important role in the Committee on Economic Security, members of the Social Security Board, early Directors of the Bureau of Federal Old-Age Benefits and other bureaus of the Board. Valuable original records have been turned over to Abe as an important byproduct of these interviews.

A questionnaire was devised to secure historical material from others whom it was not possible to interview personally. Several bureau and division directors tested this device with a number of persons who had recently retired or were about to retire. This Historical Inquiry Form is providing good returns; a number of fine responses have been received from SSA personnel with long service.

Tool Three: Objects

A third tool is frequently available to the historian: products of man's workmanship (other than documents) which supplement the written record. These products may be photographs, drawings, clothing, furniture, pottery, machinery-anything of man's manufacture which is representative of an area, a period, a people. Museums and attics are filled with these relics of the past.

Such products help the SSA Historian re-create the history of social security development and operations. They include : photographs of individuals, committees, and events; one of the pens with which the original Social Security Act was signed; and like items. Many of these products, along with historical documents and records, have been collected for permanent display in a "Social Security History Room" at headquarters.

With these tools-papers, people, and products-the historian gathers information he needs. But this is only part of his task. From these pieces he must fashion a connected and meaningful whole-much as one solves a jigsaw puzzle. The historian must evaluate the information he has gathered, as to its truth and meaning, and select the facts which are important for his purpose. These facts, when put together in the proper way, without reshaping to force a fit, will tell a story from the past. The historian shares this story by putting it in writing for the entertainment or instruction of others, and by providing tools for research and writing by others.

Much has been accomplished since the Social Security Act became law 30 years ago. From the historical study of operations of an expanding program during this period comes knowledge and wisdom to help meet the challenge that lies ahead.

The Men at the Helm

IN 1936, THE SOCIAL SECURITY BOARD established the Bureau of Federal Old-Age Benefits to administer the old-age insurance program. A year later, the name was changed to Bureau of Old-Age Insurance and, in 1939, it became the Bureau of Old-Age and Survivors Insurance. In 1963 administration of the OASDI program became the primary mission of the Social Security Administration. Presented here are the seven men who have led the organization during the last three decades.



Murray W. Lather

January-September 1936



Henry P. Seidemann

September 1936-February 1937



LeRoy Hodges

March 1937-February 1938

John J. Corson



March-June 1938 (Acting Director)

July 1938-November 1941

May 1943-May 1944



Oscar C. Pogge

December 1941-July 1942 (Acting Director)

August 1942-May 1943

May 1944-May 1953



Victor Christgau

February 1954-January 1963



Robert M. Ball

May 1953-February 1954 (Acting Director)

January 1963-Present (Commissioner)

1935

Social Security Act:

A FUNDAMENTAL ELEMENT that has kept the American social security system dynamic and effective in preventing much of the poverty and dependency that arise from old-age, disability, and death has been its responsiveness to changing needs. This same element remains firm in this 30th anniversary year of the signing of the Social Security Act—even more so—as we prepare to administer the most far-reaching social security amendments ever enacted.

That this most extensive legislation—including health insurance for the aged—should occur after 30 years would come as no surprise to those who played key roles in the passage of the Social Security Act. For even as he signed the historic measure on August 14, 1935, President Roosevelt noted it was a “cornerstone in a structure which is being built but is by no means complete.”

This concept of program reexamination and updating continues to rate the highest priority, as evidenced by a statement from the Advisory Council on Social Security, in its 1965 report: “The fulfillment of the promise of social security for the American worker and his family which was implicit in the original Social Security Act will depend on continuing wisdom and alertness to make sure that our use of the social insurance mechanism to combat insecurity among our people is adapted to changing needs and conditions inherent in our dynamic society.”

While President Johnson declared in his 1965 state of the Union message that “we are in the midst of the greatest upward surge of economic well-being in

the history of any nation,” conditions were far different in June 1934 when President Roosevelt appointed a Committee on Economic Security. This committee, under the chairmanship of Frances Perkins, and with Prof. Edwin E. Witte as Executive Director, and Arthur J. Altmeyer as chairman of the Technical Board, drafted the bill which was to become the Social Security Act of 1935.

Several Programs Established

The act provided for a general program which could be grouped into three categories: old-age benefits, unemployment compensation, and public assistance. In urging enactment of such a wide-ranging plan, President Roosevelt remarked: “The various types of social insurance are interrelated and I think it is difficult to attempt to solve them piecemeal. . . .”

Although by 1935 some 22 European nations had general social security systems, the United States was the last major industrial country to adopt a system. Prior to that time a few States had inadequate old-age assistance laws, a handful of company pension plans were in existence, Wisconsin had an unemployment benefit plan, and workmen’s compensation laws were in effect in all but four States. But it was primarily the severe depression of the 1930’s that dramatized the fact the American worker was now largely dependent on factors beyond his own control for economic security.

A number of Americans regarded the bill with horror, but its moderation was credited with being a major factor in reducing opposition. For example,

1935

THE CORNERSTONE

- Old-age Insurance program established providing:
- Compulsory coverage for workers in industry and commerce.
- Benefits as a matter of right.
- Benefits related to wages.
- Joint contributions by employer and employee.

1939

FAMILY PROTECTION

- Benefits for certain dependents and survivors.
- Payment of monthly benefits to start in 1940 (instead of 1942).
- Concepts of quarters of coverage for insured status and average monthly wage for benefit computations established.

1950

EXPANSION OF COVERAGE

- Coverage: regularly employed farm and domestic workers; most urban self-employed; certain Federal, State, and local employees; several other groups.
- Monthly benefits for additional categories of dependents.

30 Years of Building

in offering protection against old age and unemployment, it did not encompass such hazards as illness or disability. Also, the level of benefits under each program was considered moderate and, with the exception of old-age insurance, the States retained considerable administrative and decisionmaking powers. In addition, old-age insurance was to be self-financing through a payroll tax.

Because of the extremely heavy unemployment among millions of able-bodied persons, the chief interest in the bill focused on unemployment compensation. Professor Witte has observed: "Unemployment compensation was regarded by the Committee on Economic Security and its staff as the most important part of the legislation." In Congress, however, there was far less interest in this subject than in old-age assistance because, under the pending legislation, OAA benefits would be payable immediately.

Nevertheless both unemployment compensation and OAA, as well as old-age insurance, received the highest priority and the Social Security Act passed the House by a vote of 371 to 33 and the Senate by a 77-to-6 margin. On August 14, 1935, President Roosevelt signed the historic measure. Congress had changed the name of the legislation from economic security to social security as being more appropriate to its varied and far-reaching character.

Now came the immense task of administering provisions of the act. Immediately, three pressing questions were posed: Would the program work, would the Nation accept it, and was the act constitutional?

Two years later, the question of constitutionality was to be settled.

Describing this early period, Historian Arthur M. Schlesinger, Jr., Presidential adviser in the Kennedy administration, wrote: "No Government bureau ever directly touched the lives of so many millions of Americans—the old, the jobless, the sick, the needy, the blind, the mothers, the children—with so little confusion or complaint. And the overhead costs for this far-flung and extraordinary operation were considerably less than those of private insurance. . . ."

Recruiting a Problem

One of the major problems that faced the Social Security Board from the beginning was to recruit an adequate supply of qualified personnel for its organization. Initial appointments were largely made by transfer from other Government departments, and particularly with a view to obtaining persons with experience in office management in the field.

On June 30, 1937, 6 months after the initial registration of workers under the old-age benefits plan, employees of the Board numbered 5,748. Of these, 1,662 were in Washington, 1,702 in the field, and 2,384 in Baltimore.

The importance of good public relations was recognized early. Just as in our present-day public information program, not only were the basic objectives of the law explained, but the practical aspects of its operation.

Continued on next page

1954

DISABILITY PROGRAM

- Disability freeze enacted.
- Coverage: farm and professional self-employed, with some exceptions; clergymen on an elective basis; additional groups of farm, domestic, and governmental employees; several smaller groups.

1956-60

REFINEMENTS AND GROWTH

- Coverage: members of armed services; remainder of professional self-employed except physicians; other minor extensions.
- Monthly benefits for disabled workers and their dependents, and for disabled children.
- Reduced benefits at age 62.

1965

HEALTH INSURANCE

- Hospital and medical insurance for persons aged 65 and over.
- Coverage: Physicians; tips; several other changes.
- Widow's benefits at age 60 and children's benefits if in school at age 22; automatic recomputation of benefits; many other provisions.

30 Years of Building

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tion were clarified to the general public. In their 1937 book *The Social Security Act in Operation*, Dr. Birch: ard E. Wyatt and Dr. William H. Wandel, technical advisers to the Board, wrote: "It was recognized from the beginning that to acquaint the public with its precise rights and obligations under the act would require intensive and systematic effort. . . . The very complexity of the law and its correspondingly elaborate technique of administration clearly demanded a large-scale plan of popular education as a preliminary to its operation."

Account Numbers Assigned

About the nationwide registration program, launched in late 1936, they had these comments: "Many persons of experience in work of related character predicted that the task of assigning social security account numbers to 26,000,000 employees and identification numbers to 3,000,000 employers was of such magnitude that it could not possibly be carried to a successful conclusion. Yet, on December 22, 1936, 28 days after the initial distribution of employee applications, the Post Office Department reported the receipt of 22,129,617 completed applications of an expected total of 26,000,000 applicants."

Many were the alarms sounded at the thought of administering a program nationwide in scope. Marion B. Folsom, former Secretary of HEW and a member of the first Social Security Advisory Council in 1937, has offered the following observation: ". . . I remem-

ber back in 1936 I was a delegate at the International Labor Conference in Geneva. I talked to quite a few experts on social security from different countries in Europe. Our system was just getting into operation then. They warned me that it would not work—that we couldn't possibly keep records of all the individual wage earners and we were very foolish not to have a flat benefit system like some of them had." Mr. Folsom went on to point out how these "old fears have not been borne out."

In the May 1938 *Social Security Bulletin*, John J. Corson, then Acting Director and later Director of the Bureau of Old-Age Insurance, also dismissed these fears: "The recordkeeping system, now well established and smoothly operating, is almost wholly mechanical. . . . Recent estimates indicate that the expense of maintaining each individual account is less than 25 cents a year. . . . The administration of the old-age insurance program need no longer be discussed in terms of theory and conjecture. It can now be gauged against concrete results, actual accomplishments. While it is realized that not all the problems involved have been solved—indeed all have not yet been faced—definite evidence already is at hand that the program is workable."

Family Protection Added

Under the original legislation, the old-age insurance program provided retirement benefits for the insured individual only. In 1939, Congress made the system a family program by authorizing monthly benefits for dependents and survivors of an insured worker. And providing that monthly benefits be first payable in 1940, rather than 1942 as originally scheduled, was indicative of the esteem in which Congress held the



The Social Security Board in September 1937 consisted of (seated, l. to r.): Member Mary Dewson, Chairman Arthur Altmeyer, and Member George Bigge. Standing: Jack Tate, General Counsel, and Fmnk Bane, Executive Director. At right: Frances Perkins, who died recently and who was Chairman of the Committee on Economic Security, reminisced about the early days, at the Silver Anniversary celebration in 1960.





Louis Stein, District Manager at Chattanooga, Term., since 1937, sent in this picture of early SSA pioneers attending the 1939 Southern Regional Conference. In front row, conferees are (l. to r.): Messrs. Haines. Overstreet. Enloe. Green. Foster. Allen. Roulhac, White, Mack, Aiken, Watson, Folmar, and Mackey. Second row; Beneke, Moore, Eanes, Mathis, Davis, Cole, Reeves, Dashiell, Con-

ger, Johnson, Banks, Jacobs, Toombs, and Tipton. Standing: Coffee, Hamilton, Morrison, Dossett, Patton, Bray, Constangy, Byrd, Pogge, Randall, Lacey, Corson, Rawls, Weaver, Pearce, Bynley, Simpson, Parker, Murphy, Manget, Broadaway, Frost, Pressly, Ellis, Baker, Smartt, Dusenbury, Crosby, Herzberg, Nixon, Weaver, Bond, Stein, Donaldson, and Megill.

Social Security Board's administrative capabilities.

After the 1939 amendments, there were no fundamental changes in the system until 1950 as the Nation became preoccupied with war. Just after Pearl Harbor Day, President Roosevelt announced that "Old Dr. New Deal" had to be replaced by "Dr. Win-the-War."

In evaluating the decade of the 1940's, Mr. Altmeyer has written: "Failure to extend the coverage of the old-age and survivors insurance system and to increase monthly benefits to take account of the rising wage level and increasing cost of living meant that benefits became more and more inadequate. This created the anomaly that, as late as 1950, more aged persons were receiving on the average higher monthly payments under old-age assistance than under the insurance system."

The crucial issue at stake by 1950 was whether the social security system was to become the Nation's basic income-maintenance program or whether major reliance was to be placed on a combination of other approaches such as a broad public pension program, public assistance, and private pensions. The 1950 legislation enacted by Congress, prompted to a great extent by the report of the Advisory Council appointed in 1947, reflected the decision to expand and improve the social security system so that it would offer basic security to most of the Nation's working people and their families.

Foundation Greatly Strengthened

The 1950 amendments represented an important building block in President Roosevelt's "structure being built." Coverage was extended to several million more people including urban self-employed, farm and domestic workers, State and local employees, and others; eligibility requirements were liberalized, benefits were increased, and the wage base was raised.

A year after passage of these amendments, Prof. Paul A. Samuelson of the Massachusetts Institute of Technology, one of the Nation's foremost economists, wrote: "Not only is the social security system here to stay, but it is growing and being extended. . . . Society believes today increasingly in the philosophy that the worst personal and social misfortunes result from the contingencies over which the single individual has little control."

In 1952 there was some further liberalization of OASI benefits, but the year is probably best known for passage of the disability freeze provision which expired before it became effective. The intent of the provision was to preserve the OASI benefit rights of those who became totally and permanently disabled before reaching retirement age.

Disability Program Launched

Two years later, however, an effective freeze was enacted, thus launching a disability program which has been substantially improved over the past decade. More categories of self-employed persons as well as certain other groups were also brought in under the 1954 amendments.

During the last 10 years, additional amendments have been passed so that, today, 9 out of 10 Americans are protected by social security. In addition to major legislative provisions, there have been many minor refinements which have helped improve the program. And, of course, there have also been substantial improvements in other social welfare programs, provided in the original Social Security Act, over the years.

Under Secretary of HEW Wilbur J. Cohen, a leading authority in the field of social welfare, has attributed the many program developments to "the extent of public interest . . . and the growing national concern

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30 Years of Building

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with problems of social legislation." He has said, "Social legislation is the product of the consciousness of social needs, conflicting points of view, cooperation among various groups, compromise, and timing.

"The original Social Security Act and its amendments illustrate these forces at work in the crucible of hard reality. Many persons will find fault with particular provisions of the legislation. But, as a whole, they are a blending of many points of view represented in our complex, diverse, and changing economy."

During 1960, when the silver anniversary of the signing of the Social Security Act was observed, a number of important officials took the occasion to reflect on the past, assess the present, and project into the future. Arthur S. Flemming, then Secretary of HEW, said: ". . . Social security is today an accepted part of our culture and an essential bulwark for our economy. . . . Much remains to be done. Now that the base is firmly established, we need to rethink and reformulate our social security goals for the future. Even to keep up with the social and economic changes that are clearly foreseeable will require a major effort. I am sure that we have both the material resources and the moral strength to achieve a full measure of security for the American people."

For those persons who wondered, 30 years ago, whether social security would work and be accepted by the Nation, the answer has been strikingly clear. In the words of Robert Ball, Commissioner of Social Security: "It is remarkable that, in just 30 years since the passage of the original legislation, America has been able to develop such a successful social security



Early problems and decisions involving the recordkeeping system required many meetings, such as this one in the late 1930's. Among early planners in the old Records Division (now DAO) were (l. to r.): John Anderson, Chief, Night Operations, and Charlie Beach, Chief, Nonmechanical Section; Joseph Fay, Chief of the Records Division and now Director, DAO; and Tom McDonald, who was Mr. Fay's deputy. John, Charlie, and Tom are now deceased.

system and one which has such wide support among people of almost every political persuasion.

"I believe the wide acceptance of the program is due primarily to its basic principles. Here is a program that had accomplished truly revolutionary results. . . . it has accomplished these great changes through the application of old and accepted principles, emphasizing in its very design the virtues of work, self-help, and individual saving. . . ."

Big Job Ahead

The 1965 amendments have added perhaps the largest building block of all on that original 1935 foundation. As we enter a new era of growth and maturity, an air of excitement is evident. In the words of Mr. Ball: "What a great time this really is to be alive. We are on the edge of greatness in America. We are taking steps to improve the position of the poor; the security of the old, the disabled, widows and orphans; the education of the young; and freedom and equality for all.

"And what a great time to work for Social Security and be a part of this program which is doing so much for so many! We all have a great opportunity, and a great trust to perform; let's get on with the job."



Typical of the increased workloads that result from new legislation, these scenes were taken at the Candler Building after passage of the 1954 amendments. At left, a training class for claims examiners is in progress while, at right, personnel in the Division of Accounting Operations process incoming work.

THE FIELD: 1935-65

Dedicated to serving the American people . . . Endowed with a pioneering spirit . . . Willing to suggest and accept improvement . . . These are the characteristics of the people who shaped social security's field organization.

TODAY SOME 15,800 FIELD EMPLOYEES of the Social Security Administration, working in 11 SSA regional offices and 616 district offices, administer a program which affects nearly every American. In fiscal year 1965 alone, DO personnel took nearly 3 million old-age and survivor claims and over 700,000 disability claims. In addition, they issued about 8½ million original and duplicate account numbers, made thousands of contacts informing people of their rights and obligations under social security, and engaged in many other activities.

The steps taken in building our field service have not all been easy. Until 1935, few Federal agencies had been given the opportunity to meet the people face to face. However, when President Franklin D. Roosevelt signed the Social Security Act, he set in motion three programs—old-age insurance, public assistance, and unemployment compensation—which demanded public contact.

Of the three, the old-age insurance program obviously needed an extensive field service to meet success. For example, if accurate records were to be maintained, close contact with employers for both educational purposes and for correction of errors and omissions would be necessary.

Congress gave the Social Security Board a free hand in designing an organization it felt would be able to efficiently administer the act. On December 2, 1935,

the Board appointed a Field Organization Committee to study problems and then make recommendations.

Early memos from Committee members indicate they were well aware of their responsibility. “Admittedly, the successful inauguration and efficient administration of the Social Security Act is the greatest social undertaking launched by any organized society in recent years,” wrote Committee Chairman E. J. McCormack in an early memo. “Regardless of the construction of the act itself or to what degree this act measures up to the desired standards, there remains the obvious fact that its administration, particularly in the field, will either make or defeat the entire program.”

Soon after establishment, the Committee met a crisis. The Board decided to set up its recordkeeping system numerically. January 1, 1937—the date the act became effective—was set up as the deadline for assigning numbers to an estimated 26 million workers and 3½ million employers.

How could enumeration take place without field offices? Hasty office openings, only for the purpose of handling this initial peakload, would undoubtedly lead to retrenchment of plans in future years with possible office closings.

The problem was solved by asking the Post Office Department for help. Distributing and receiving mil-



Recalling early days as they look over the Field Organization Committee's recommendations on field office locations are DFO's Deputy Director Elmer Lupton (l.) and Director Hugh McKenna. This large binder of plans belonged to Arthur Altmeyer, first Commissioner of Social Security; it will be placed in SSA's new History Room at headquarters.

lions of initial employer registration forms and account number applications postal employees left Board members free to establish field offices gradually, as regular workloads warranted.

Weathering the first crisis, Committee members continued toward the goal of recommending a field service that would take care of all the Social Security Board's programs. Since there was very little resource material available, new studies had to be conducted and statistics gathered. Committee members also made use of a few existing studies. For example, the Daniel B. Creamer study, "Is Industry Decentralizing?" was helpful in deciding field office locations.

Final Committee recommendations were made only after several revisions to make plans fit the Board's limited budget and still give the best possible coverage to the country. Accepting most of the recommendations, the Board set up a coordinated field organization.

Regions Established

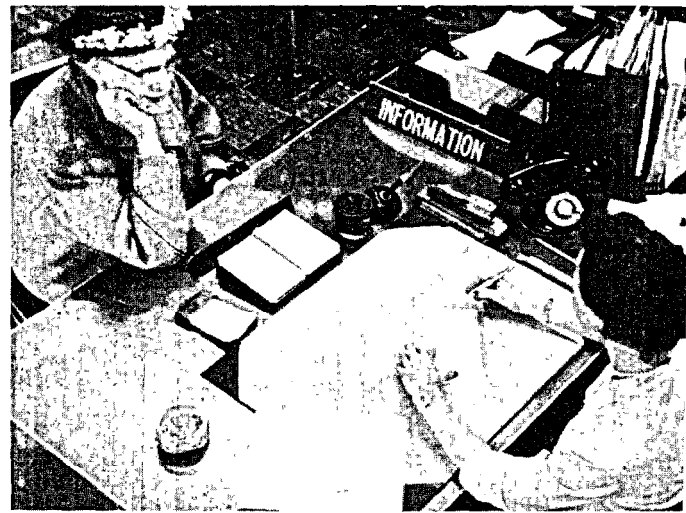
Twelve regions were established and, by the end of 1936, regional offices were open in Boston, New York, Philadelphia, Washington, Cleveland, Chicago, Birmingham, Minneapolis, Kansas City, San Antonio, Denver, and San Francisco. There were also two territorial offices: one in Honolulu, Hawaii; the other in Juneau, Alaska.

"In adopting the regional device common among Federal departments," wrote Birchard Wyatt and William Wandel, "it [the Board] freed itself from a heavy burden of administrative detail, which was henceforth to be taken care of locally. Proximity to these local centers of authority has expedited the handling of all matters within the province of the regional offices. More flexibility is also possible in dealing with the intangibles of local sentiment and other variations from the national pattern. Finally, there is a definite psychological advantage in bringing the operation of the program closer to the public affected."

Thirty years and several organizational realignments later, today's regional picture has a different look. The Department of Health, Education, and Welfare now has nine regions with offices in Boston (I), New York (II), Charlottesville (III), Atlanta (IV), Chicago (V), Kansas City (VI), Dallas (VII), Denver (VIII), and San Francisco (IX).

Since the 1940's, SSA has had 11 regional offices, including II-A and II-B in New York, V-A in Chicago, and V-B in Cleveland.

In determining the boundaries of administrative districts and selecting the sites for the field offices, a number of factors were considered. Maximum facility in administration, convenience to the public, uniform



This lady is typical of the many thousands of persons who visit our district offices to obtain information or file applications.

distribution of workloads, and a mysterious "compensable factor," were fundamental considerations. Population patterns, local geography, and trading zone boundaries were carefully studied.

Original plans called for opening 397 field offices, gradually. First to open was the one at Austin, Tex., on October 14, 1936. By early November 1936, seven more had opened. The Social Security Board proceeded conservatively and opened offices only where workloads were large enough to warrant full-time staffs. However, all 397 offices were in operation by 1939 in time to handle the 1939 amendments.

Originally the Board planned to have field units of varying status. While serving as regular operating offices, district offices were also to supervise primary and secondary branch offices. Although several of the proposed branch offices were opened, the Board decided in April 1937 not to have an extra supervisory layer; all field offices would be equal as far as relations with other parts of the organization were concerned.

Responsibilities Varied

However, Board members realized that all offices weren't equal in terms of workload or responsibility. Field offices were thus divided into eight classes based on the estimated number of covered workers in their areas. The size of each office's staff and the salaries of the managers varied accordingly, as did the salaries of the assistant managers, field assistants, and administrative clerks. In July 1940, the number of classes was reduced to seven and has since been reduced to four.

The beginning days were difficult for field people, although the Post Office handled account number issuance for the first several months and no claims came in

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The Field: 1935-65

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until the summer of 1937. Organizing new offices and getting ready for the big job ahead were just minor problems. Procedures and methods had to be worked out with the Post Office Department and Internal Revenue, and public contact work took much of the time. Not only did the field people have to be expert on the subject of old-age benefits, but they had to be informed about the other aspects of the act, as the public had difficulty differentiating between the various parts of the program.

Basic Training Given

A basic training course was instituted by the Board to get information of this type to all field administrative and technical personnel. Before a person who would be working with the public reported to his assigned office, he first came to Washington for the course. Instructors included officers of several bureaus, Social Security Board members, and other individuals expert in the field of social insurance. The trainees' days were spent learning the historical background of the act, the social conditions it sought to correct, and the procedures involved in its operations. Evenings were filled with homework and study in hotel rooms.

Gradually a full-time training staff was developed and an organized 2-week Basic Training Course for new employees came into being.

During this time, also, many field clericals were stationed in post offices typing OA-702's (Account Number Cards) from incoming SS-5's (Applications for Account Numbers). By July 1937, however, the field had taken over the P.O.'s account number business. DFO Deputy Director Elmer Lupton recalls: "It was a common sight to see managers, assistant managers, anyone who was available, pounding away at typewriters."

DFO Director Hugh McKenna painted a vivid picture of the impact of the first account number load when he said: "Original estimates were that the act would cover about 26 million people; we thought that by the time we took over the job from the post offices the bulk of the account numbers would have been issued. The best guess was that we would then be getting about 12,000 account numbers a week. . . . So-we doubled the figure. And we still didn't come close. The load at the 45 Broadway field office (in New York City) alone exceeded our estimates every week. . . ."

The next emphasis was on correct wage reporting. When an employer reported wages with an employee's

name or account number missing, and failed to respond to a letter from the collector of internal revenue, a field employee made a personal call. Particularly in New York, incomplete reporting resulted in a substantial number of wage discrepancies. Many of our managers got their basic training on the streets of New York making employer educational contacts and clearing up wage discrepancies. The effort paid off in improved reporting and in public confidence in our reporting system.

Claims began coming in about mid-1937. Since monthly benefits were not scheduled to begin until 1942, these were lump-sum claims filed by workers reaching age 65 or survivors of workers who died. The lump-sum payment was 3½ percent of the total wages credited to the individual's account. Field offices took these claims; regional offices checked them; and the Claims Division in Washington processed the awards.

The picture in the field was altered considerably with the passage of the 1939 amendments. By moving the date for initial payment of monthly benefits from 1942 to 1940, and extending coverage to the families of insured workers, Congress brought the American public closer to the program. Public reaction became overwhelmingly favorable. Social security now had greater meaning.

In addition, the amendments acted as a much-needed morale booster for field people. A different kind of person began visiting field offices. Until this time, our people dealt mainly with those citizens applying for account numbers. Now, large numbers of old people and dependents began arriving.

Gradually the whole interviewing process changed. A closer insight into the problems of individuals and much more tact was now required of our people. As evidence of the altered nature of their jobs, claims "clerks" became claims "assistants." Before, they had mainly handled papers; now they were really dealing with people.

Claims Manual Born

The year 1939 also brought with it the birth of our Claims Manual. Although a slim one-volume book, it outlined completely the law and procedures for handling claims.

Along with the Manual came the need for more training. The Bureau's first claims schools were opened-five or six in each region. Everyone who knew anything about the new law became a teacher. Trainees ranged from clerks to regional directors. "It was a big job, and a crucial one . . . one which we still look back on with a sense of genuine accomplishment," said one SSA pioneer.



This is one of the first formal photos taken (circa 1940) at a Regional Representatives Conference. Clockwise around the table (from left) are: BOASI Director John Carson; Regional Reps John Campbell, Hugh McKenna, Joseph Tighe, W. L. Kilcoin, Thomas Hughes, Albert Kuhle, and Thomas Broadway; Chief of the Claims

Division Oscar Pogge; Chief of the Field Coordination and Procedures Sec. Charles Beach; Regional Reps H. E. Bray, Robert Fitzgerald, Howard Dunn, Sherwood Avery, Richard Toomey, and Ernest Tallman; and Field Division Assistant Director Michael Shortley.

By April 1940, 63 more field offices had opened, bringing the total to 460. Field staffing had almost reached the 3,000 mark. Itinerant service was being provided to bring the program to people who lived considerable distances from field offices. In April 1940, there were 1,296 itinerant stations (the forerunners of today's contact stations), visited by field assistants on regular schedules, and 200 visited at irregular intervals.

In places where itinerant stations couldn't provide the proper amount of service, and yet there wasn't enough work to warrant a full-fledged field office, branch offices were opened. Manned by one person, these offices were open several days a week depending on volume of activity; they are known today as resident stations.

As experience was gained, more responsibility was accorded field offices. Originally claims were taken in the field and transmitted to central office for adjudication and payment. Following the 1939 amendments, field offices began to assume more of the claims work.

Although decentralization of most of the claims handling had long been studied, World War II, accompanied by critical space and personnel shortages, accelerated plans. By May 1942, field people were doing the entire job of computing benefits, designating payees, and determining entitlement. One month later, the claims authorization function was decentralized to area offices. (They were renamed payment centers in 1958.)

Little else was changed in the field during the war years. The emphasis was primarily on keeping field work forces somewhat near par as employees left for the service and warwork. However, between 45 and 50 offices were closed, and the field staff shrunk from 3,500 to about 2,800.

The next big change in field office operations occurred in 1947 when, as Elmer Lupton explains it, "We took the typewriters away from the claims assistants (now claims reps) and made the jobs more professional." Claims assistants were appointed from the Junior Professional Assistant (JPA) register (now FSEE).

The "Unified Claims Position Plan" as it was called, added typists and stenos to claims units to handle claims clerical work. Claims assistants could devote their time to interviewing, and developing, and adjudicating claims.

Workloads Expanded

The last 15 years have been periods of continuous growth and expanding workloads for field people. Starting in 1950, amendment followed amendment. Workload records were made one day and broken the next.

A much-needed benefit increase in 1950 was hailed with delight. Recalling the late forties and the need for this increase, a field employee remarked: "Field people felt deeply the reaction of the public to the low level of benefits that were being paid in a period of inflation, and it got so we flinched whenever we had to face a claimant's inquiry about how much money he would receive."

The 1950 amendments brought nearly 9 million more people under the program, which subsequent legislation extended protection to still more. The initiation of a disability program in 1954 was also an important milestone and one which made workloads increase.

SSA was ready for these changes and met legislation head-on. The problem of preparing for legisla-

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YESTERDAY AND TODAY-Gaining entrance to the old Columbus, Ohio, District Office previously meant coping with these steps. The problem has been eliminated in the DO's new space (inset). This is but one example in which SSA's field facilities have improved over the years.

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tion had been handled early, carefully, thoroughly. Training went on everywhere in the field and new recruits were brought to Baltimore for the Basic Training Course. Overtime was used and personnel were shifted between offices to handle the big surge. Field offices became "district offices," indicating the growth of their responsibilities in the program.

As always, public information work played a major role in the field. A Bureau of Information had been established as part of the Board in early 1936. Responsible for publicizing all of the Board's programs, the Bureau had a headquarters staff plus regional informational representatives. In May 1947 the rep jobs were abolished; and by 1948 the entire Bureau went out of existence with the idea that the operating bureaus could handle their own public information work.

Between 1948 and 1950 the OASI information program was coordinated by one member of the Division of Field Operations and by informational committees. A system of regional exchanges of public information materials was developed.

Early in the 1950's a central public information staff was established to help field people with the big job, and to coordinate the national phases of the informational program. Pamphlets, movies, and other devices were developed to help inform the public.

However, the bulk of the work was done by field people. Long hours were spent explaining the amendments at community meetings and on radio and television. Press releases were written and posters and pamphlets distributed.

The most recent chapter in SSA field history, 1960-65, reflected even more growth to meet tremendous workloads. Currently SSA has 616 district offices, 42 resident stations, and 3,537 contact stations serving the public.

District offices today are a far cry from their ancestors of the 1940's. At first, faced with tight budget limitations and the need to quickly get into operation, we often had to take undesirable space. Many of the offices were in old buildings. Light fixtures dangled from ceilings; noisy fans buzzed near poorly painted walls; steep stairways were hazards to our visitors; and staff members were crowded into small spaces with little privacy for interviews.

This picture is changing rapidly. True, there are still a few offices suffering with these conditions, but they are gradually disappearing. Many managers have been able to obtain DO space in attractive privately owned office buildings or in new Federal buildings. And, in some instances, private contractors have constructed buildings for DO occupancy.

Congress recently approved a proposal whereby 25 DO's would be constructed with Trust Fund moneys.

Layout-wise they'll be ground-level, square, or rectangular structures, thus eliminating flights of stairs and odd-shaped space that can't be utilized. There'll be a minimum number of columns and very few partitions blocking the view of operations. There will be ample room for interviewing.

Room for 10 years' expansion will be allowed at the time of construction. If the need for even more space arises later, the lots surrounding the DO's will be large enough for future additions.

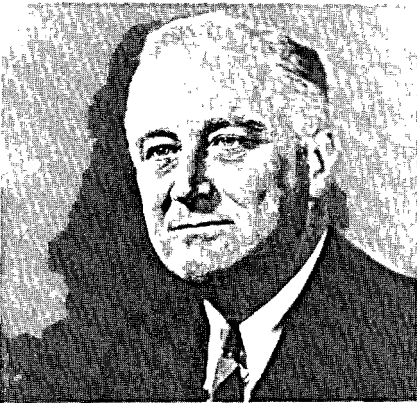
What lies ahead? No one can be sure. Who would have guessed on August 14, 1935, that in 1965, 20 million people would be receiving monthly retirement, survivors, or disability benefits. Today, we are faced with the largest workload ever, as a result of the historic 1965 amendments. And undoubtedly there will be new ways found to improve our field operations. But, one thing is certain: Backed with 30 years of dedication to serving the American- public, field people will take new developments in stride and continue to give excellent service.

In addition to old memorandums and other internal publications, two major sources for the years 1935-40 were used in preparing this article. One was Birchard E. Wyatt's and William H. Wandel's book The Social Security Act in Operation (Washington: Graphic Arts Press, Inc., 1937). The other source used was Paula Zwintscher's thesis, A Study of the Establishment of the Field Service of the Bureau of the Old-Age and Survivors Insurance. Paula is currently District Manager in Elmwood Park, Ill. She wrote this thesis in 1952 while attending the American University.

The Presidents Speak . . .

Since passage of the Social Security Act in 1935, every President of the United States has firmly endorsed the system as well as the social security concept. This has been a key element in establishing social security as an accepted institution in our society. Presented here are statements made by the last five Chief Executives on the subject.

Franklin D. Roosevelt



“This law represents a cornerstone in a structure which is being built but is by no means complete—a structure intended to lessen the force of possible future depressions, to act as a protection to future administrations of the Government against the necessity of going deeply into debt to furnish relief to the needy—a law to flatten out the peaks and valleys of deflation and of inflation—in other words, a law that will take care of human needs and at the same time provide for the United States an economic structure of vastly greater soundness.”

-August 14, 1935

Harry S. Truman

“It has long been recognized as an inescapable obligation of a democratic society to provide for every individual some measure of basic protection from hardship and want caused by factors beyond his control. In our own country, the obligation of the Federal Government in this respect has been recognized by the establishment of our social security system. . . . The passage of the Social Security Act in 1935 marked a great advance in our concept of the means by which our citizens, through their Government, can provide against common economic risks. . . .”

-May 24, 1948



Dwight D. Eisenhower

“ . . . The system is not intended as a substitute for private savings, pension plans, and insurance protection. It is, rather, intended as the foundation upon which these other forms of protection can be soundly built. Thus, the individual’s own work, his planning and his thrift will bring him a higher standard of living upon his retirement, or his family a higher standard of living in the event of his death, than would otherwise be the case. Hence the system both encourages thrift and self-reliance, and helps to prevent destitution in our national life.”

-January 14, 1954



John F. Kennedy



“It is with great satisfaction that I have signed into law the Social Security Amendments of 1961. They represent an additional step toward eliminating many of the hardships resulting from old-age, disability, or the death of the family wage earner. . . . A Nation’s strength lies in the well being of its people. The social security program plays an important part in providing for families, children, and older persons in time of stress but it cannot remain static. Changes in our population, in our working habits, and in our standard of living require constant revision.”

-June 30, 1961

Lyndon B. Johnson

“Thirty years ago, the American people made a basic decision that the later years of life should not be years of despondency and drift. The result was enactment of our social security program. . . . Since World War II, there has been increasing awareness of the fact that the full value of social security would not be realized unless provision were made to deal with the problem of costs of illnesses among our older citizens. . . . Compassion and reason dictate that this logical extension of our proven social security system will supply the prudent, feasible, and dignified way to free the aged from the fear of financial hardship in the event of illness.”

-January 7, 1965

