Of Families, Children, and a Parental Bill of Rights

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Along with language and the use of tools, the institution of the family may be one of the most profound inventions of the human species. Historian Carl Degler notes a number of characteristics of family life he believes are found in virtually all known cultures. These include "long duration," "duties and rights of parenthood," "common" residence, "reciprocal economic obligations," and a (not necessarily "exclusive") "means of sexual satisfaction." (1)

In American history in particular, John Demos tells us that the colonial family not only fulfilled these universal functions but was also a "vocational institute," "church," "house of correction," and a "welfare institution" that often served as "hospital," "orphanage," "old people's home," or "poor house," as the case required.(2) Later, in the Victorian era, the century of the child and of true motherhood culminated in a "cult of domesticity" which sanctified the home, children, and posterity in general as perhaps never before in history. Although the family had by then lost many of its colonial functions to other institutions, the core functions--uniting husband and wife and raising and nurturing children--achieved, perhaps in compensation, almost mythical significance.

A similiar, though not quite so rhapsodic, glorification of the family occurred again in the two decades following World War II, but this was only a brief respite from trends which were gradually undermining one after another of the seemingly universal features of family life and casting into doubt even its most fundamental role as rearing device for the species. Indeed, after this brief respite, the pace of decline accelerated so rapidly that by 1980 it was not even possible to discuss "the family" any more. The White House conference summoned to study the matter in that year became very rapidly the White House Conference on Families. By 1988, all universal, or even specific, characteristics had been discarded, and nearly three-quarters of respondents to a Massachusetts Mutual Life Insurance poll defined a "family" as "a group of people who love and care for each other." For how long? one was tempted to ask. Ten years? one year? two weeks?

In this paper, we focus on one feature of family life which, until the last thirty or forty years, was widely believed to be one of the most, if not the most, critical, of its functions: parental care for very young children. We shall find, not unexpectedly, that during this recent period, this function has been challenged at such a basic level that it, too, may go the way of the school, church, poor house, and old people's home functions that belonged to the American family in ages past. Since we believe that such a development would be deeply unfortunate--in fact, is already very unfortunate as far as our children are concerned--we attempt to analyze some of the forces that are producing this result. We find that these forces, far from being particularly natural, or inevitable, have clearly been influenced by public policies, especially those that encourage the substitution of the labor force participation of young parents for that of elderly and not-so-elderly retirees.

The tempering and even reversal of these forces and the consequent strengthening of the institution of the family is thus found to be very much within the realm of possibility. We offer a specific program, centering on what we call a Parental Bill of Rights, to help achieve this objective.

Childrearing in Late 20th Century America

In many ways, our rhetoric in the matter of childrearing in today's America has not fully caught up with changed realities. Ironically, one of the best examples is provided by a 1991 report, the so-called "Rockefeller Report," whose official title is Beyond Rhetoric (3). This report proclaims that "the family is and should remain society's primary institution for bringing children into the world and for supporting their growth and development throughout childhood." The "is" and "remain" imply that, at a minimum, the family is currently the "primary institution" for giving care to infants (children under 1), toddlers (1 to 3), and pre-schoolers (4 and 5). While this does not quite carry us "throughout childhood," it does take us through the years up to ages 5 or 6 when, since the mid-19th century, schools both public and private have played a primary, or at least a strong secondary, part in the rearing of American children.

Unfortunately, American families do not even live up to this minimal description at the present time. In 1990, less than a third (29.9 percent) of all pre-school children with an employed mother received primary care from either parent. The number was understandably higher for part-time working mothers and lower (22 percent) for full-time working mothers. If we look at intact families with children under 6, we find that in the majority of cases both parents are working and that around two-thirds of the working mothers are full-time. In the latter group, the primary care for the child while the mother is working is provided neither by the mother nor in the child's own home in the usual case (69.1 percent in 1987). Such care is not even provided by a relative of any sort in the majority of cases: in 1987, 61.4 percent of primary care was provided by a non-relative either in or outside the child's home. (4)

Those last numbers were for intact families. But fathers, and indeed sometimes both parents, have been fleeing their children in increasing numbers. Despite many references to the "new" caring, nurturing father, the central fact in recent years is the growing absence of the natural father from the home because of illegitimacy, divorce and desertion. In 1988, an estimated 34 percent of households with children under 18 were without the presence of the biological father. This represented a rise from 30 percent in 1981. (5) Furthermore, some estimates are that the number of children living without either parent has increased by over a third since 1970. (6)

In general, one has to be impressed by the rapidity with which changes that have reduced the role of the family as the "primary institution" for raising young children have been taking place. As recently as 1960, fewer than 19 percent of mothers with children under 6 were working outside the home. Never-married mothers were a positive rarity a quarter century ago; in 1970, less than 1 percent (0.8%) of families with children under 18 were in family groups maintained by a never-married mother. (7) Meanwhile divorce rates have soared, from 35 per 1,000 married persons in 1950 to 142 per 1,000 in 1990. (8)

Far from attempting to stem these trends, public policies, both state and federal, have tended to accommodate, and even intensify, them. Thus no-fault divorce laws, while they may not be the main cause of the trend to higher divorce rates, nevertheless do have the effect of making divorce more accessible and also socially acceptable even where very small children are involved. Federal child care legislation in

1990 was specifically designed to improve the quality of day-care facilities and to make out-of-home child care more affordable for working families. Even the family leave legislation passed in early 1993, though supportive of the family in its intent to foster in-home care for infants, also serves as an incentive for those parental caregivers to return to work even more rapidly than before. This has, in fact, been the general experience with parental leave policies that include any benefits to the working parent (9), yet this aspect of the legislation seems hardly to have been mentioned in public comment on the program. Similarly, in the large-scale National Research Council study of family policy (1990), the perverse effect on the family of virtually all their "pro-family" recommendations was scarcely mentioned. (10)

In short, not only is today's American family falling far short of being the "primary institution" for giving care to pre-school-age children, but a substantial share of the legislation either passed or proposed to "support" the family can be seen to have potentially negative effects on its future. To paraphrase the old saying: With friends like these, the institution of the family needs no enemies!

How are the Children Doing?

But does it really matter? In particular, does it really matter as far as our children are concerned? Some sociologists argue, for example, that except perhaps in the first year or so, day care may well be just as good as (in some respects even better than?) parental care for our pre-school children. In general, with the possible exception of drug use and violence, there is--it is said--no great reason to worry about the younger generation. Or, if there is, the main problems are simply due to poverty. And the solution to these problems is to be found in more federal support--increased AFDC, health care, Head Start, and the like--and also, of course, providing quality day care that is accessible and affordable for these lower-income families.

Clearly, of course, there is a poverty problem in the United States and it weighs particularly heavily on children. Between 1970 and 1990, the percentage of U.S. children in poverty increased from 15.1 to 20.6 percent (in the latter year, roughly double the poverty percentage of all age-groups taken together). Indeed, poverty is even worse than that among very young children. In the prosperous year 1988, for example, while the national poverty rate was 10.1 percent, children aged 0-5 experienced a poverty rate of 22.8 percent.

Still, one must be very careful not to imply that the problem of child poverty is somehow a different and separate problem from that of family breakdown. For, as Isabel Sawhill has recently noted, "as a first approximation, the rapid growth in the number of children living in single-parent families can explain virtually all of the growth [of poverty among children] since 1960." (11) Nor is this confined to black children, 64 percent of whom are now born to unwed mothers. For family dissolution, now so common among all segments of the population, is also a major cause of child poverty. Thus, a 1991 study finds that after divorce, the percentage of children in poverty doubles from 19 percent to 38 percent and, if the mother neither remarries nor reconciles with the father, the rate remains at a shocking 35 percent sixteen months later. (12)

The main reason for not focussing so exclusively on the poverty problem (nor, as some do, solely on minority problems), however, is that the difficulties American children are facing at the present time have become so widespread as to penetrate the entire population; they are not confined to any particular ethnic or socioeconomic group.

An excellent example of this generalization concerns school performance. As is widely known, test scores for American children have fallen substantially since the late 1960s, the median verbal SAT, for example, falling from 466 in 1967 to 424 in 1990, the math Sat from 492 to 476 over the same period. These declines represent a reversal of a previous trend towards higher SAT scores over time. The seriousness of the decline is confirmed, moreover, by the extremely low ranking of U.S. children on all international achievement tests, often coming in at or near the very bottom of the list of nations, some of which are economically far less developed than the United States.

What is less well known is that this deteriorating performance cannot be explained by the increasing number of minority or other less-well-prepared students taking the tests. As John Bishop of Cornell University has pointed out, the test score decline has been larger for whites than for minorities, larger in the suburbs than in the central cities, evident in private as well as public schools, as large or possibly larger for more able students than for less able students, and particularly large for higher level skills in contrast to basic skills (including, one might note, a particularly large decline in the number of students achieving above 700 on the verbal SAT). Also, when tests like the Iowa Test of Educational Development, which largely rule out the changing composition of the test-taking population, are examined, the same pattern of declining scores is evident. (13)

Bishop estimates the cumulative potential GNP costs of this academic decline in our increasingly high-tech economy over the next two decades at around $3.2 trillion. What we want to stress here is the extremely widespread nature of the phenomenon. Indeed, anyone who takes even the most perfunctory look at what has been happening in American schools in recent decades has to recognize that our children are living in an increasingly disorderly, disorganized, and ultimately threatening environment quite unlike anything experienced by their parents or grandparents. The following table was published in the September 11, 1992 CQ Quarterly (14), and is, in some ways, a truly profound document for our times. It records the responses of U.S. teachers asked to identify the top in-school problems in 1940, and then again in 1980:

Public School Problems: 1940 vs. 1980

1940	1980
Talking Out of Turn	Drug Abuse
Chewing Gum	Alcohol Abuse
Making Noise	Pregnancy
Running in Halls	Suicide
Cutting in Line	Rape
Dress Code Infraction	Robbery
Littering	Assault

But it is not teachers alone who see this new kind of problem dominating the lives and behaviors of today's children. According to a Northwestern National Life 1993 poll,(15) parents consider the greatest threats to their children's health to be such things as drugs, AIDS, drinking/alcohol, smoking, unsafe sexual practices, and other behavior-related problems. Children, too, note that, if not they themselves personally, at least a great majority of their peers engage in unhealthy behaviors including drugs, alcohol, and smoking. 87% of the children polled felt that "most other kids" were sometimes "depressed," 71% felt that these other kids had "a lot of stress," and 63% thought that most other kids had considered suicide at one time or another. In some respects, the poll's key finding was that, when asked whether today's children will grow up to be as healthy as today's adults are now, 63% of the children responded in the negative.

Thus, teachers, parents, and the children themselves all seem to be aware that something is deeply wrong with today's younger generation. The increase in teenage homicides, the tripling of teenage suicides, the 98 percent increase is severe obesity among children aged 6 to 11 just in the past 15 years--all these give tangible testimony in support of this point of view. In a study based on the 1988 National Health Interview Survey of Child Health covering 17,100 American children, Nicholas Zill and Charlotte A. Schoenborn find the incidence of developmental, emotional, and behavioral problems among today's children "alarmingly high;" they believe that the survey results may be "underestimates of the true prevalence of the conditions," and note that family structure is far and away the most important variable affecting the measured well-being of these children. (16)

Given the enormous number of personal, cultural, socioeconomic, and technological factors that may influence the behavior and psychological condition of children, no one can prove that this or that particular factor dominates the results. What does seem beyond dispute, however, is that our children are not doing as well as they once did, certainly not as well as we their parents or teachers would like, and not even as well they themselves would hope. By both their actions and their words, today's American children are telling us loud and clear that all is not well here, that something has gone deeply awry. It is inconceivable that this state of generational disorganization and disarray is occurring independently of the breakdown of that most fundamental social institution known to humankind, the family. For all the statistical clutter and noise, it is impossible not to believe that central to this increasingly threatening problem is a deep and widespread failure of basic parental care and attention.

Focusing on the Youngest Dependents

Samuel Preston's famous 1984 Presidential Address to the Population Association of America discussed "divergent paths" for America's two classes of dependents, "children and the elderly." (17) This "divergence" will be of great interest to us in this paper, although we will want to focus the problem somewhat more narrowly. Obviously, the degree of dependency differs within each group; thus, for example, the oldest old and those near death have different and more complex needs than the young old--men and women in their late sixties or early seventies who often are as vigorous and active as they were in their fifties and who have estimated life expectancies of a decade or two ahead of them.

Similarly, there is, or so we shall argue, a very important difference between pre-school-age children--say, children under 5--and those of school age--5 through 17. We will focus special attention in this paper on children under 5 for a number of reasons:

1. Although there is much evidence that children's characters remain fairly plastic and amenable to change throughout childhood, there is also some reason to believe that the first years of life are particularly significant in terms of the formation of character and attitudes, and indeed of language skills as well. The need for special care and nurture is widely acknowledged when it comes to the first year of life, and by many observers, during the first three years of life. Although there are numerous disagreements

among the experts in this area (18), a minimal generalization would appear to be that the first five years of life are not less important formative years than later years, and certainly require at least equal adult attention.

2) Children under 5 have, by definition, younger parents on average than older children. In particular, such children often find themselves in households where either or both young parents are in the low-income, early-career-building stages of their lives, and thus under particularly great pressure and stress both economically and in terms of future planning in general. We have already mentioned that children under 5 experience higher poverty rates than do older children. What this means is that the need for additional family resources is particularly great in families with very young children.

3. Children under 5 receive directly, or indirectly, much less government support than do older children. They also, of course, receive much less government support than do the elderly, which is true of all children, and a point we will be returning to. Within the class of children, however, there is a big difference created by very large public school subsidies. Thus, in 1990, federal, state and local

governments spent $4,962 per enrolled pupil in public elementary and secondary education. Considering all school-age children, whether enrolled or not, this comes to around $4,500 per child in the older age group. Also, many federal programs are either geared to older children (like school lunch programs) or apply to children of all ages (like social security dependents' and survivors' benefits, the dependent exemption, earned income tax credit, and many other provisions). Although no official numbers appear to exist, rough calculations suggest that in total, per year per child, federal, state, and local expenditures run between two and three times as great for school-age children as for pre-school age children. (19)

Thus, it can be argued that, of all the dependents in today's American society, it is the very youngest whose level of public support is least and whose unmet needs are the greatest. This is really a very important point, as we shall see more clearly as we proceed. For the moment, we note that we consider it a major weakness in the Rockefeller Report, and to some degree in the more recent (1993) report of the National Commission on Urban Families (20), that they tend to spread public support for children over the entire 0 to 18 age group without sufficiently recognizing the special needs and the particularly inadequate support currently being given to the 0 to 5 age group. Thus, the main single recommendation of the Rockefeller Report is the creation of a $1,000 refundable child tax credit for all children through age 18. Even when offset, as they recommend, by the elimination of the personal exemption for dependent children, this tax credit would amount to some $40 billion a year or somewhere around three-quarters of their total recommended expenditures (21). Since their other major recommendation--extending health insurance to cover all children--also applies to the 0 through 18 year old category, it is obvious that no major distinctions have been made between pre-school-age and school-age children as far as recommended benefits are concerned.

This approach--beside costing a great deal of very hard to find federal money--does not, in our judgment, hit the basic problem where it is most acute. And by spreading its effects thinly over too large a group may actually have a much smaller impact than the funds allocated would suggest. In any event, as will become clear, the Parental Bill that we will be presenting shortly places its central focus on the families of pre-school-age children, and, in particular, on securing more direct parental care for this age-group.

Early and Increasingly Lengthy Retirements

Clearly the possibility of securing more parental care for the infants, toddlers, and pre-schoolers, who are of special concern to us, will be heavily influenced by the labor force participation of dual earners in intact families, and of single parents in never-married or divorced families. We begin therefore by considering the significant changes that have been taking place in U.S. labor force participation over the past half century or so.

Considered from an historical point of view, there have been two dramatic, even revolutionary, developments: 1) the increasingly early retirement of older men; and 2), as already noted, the increasingly active labor force participation of women, and especially of mothers of pre-school-age children. We consider the case of older men first:

Official estimates are that labor force participation rates for males 65 and older fell from 68.3 percent in 1890 to 16.5 percent in 1988. From over two-thirds to one-sixth in a single century! The trend to early retirement has also affected younger men. In 1948, 89.5 percent of the male 55-64 age group were labor force participants; forty years later, the number had declined to 67 percent. Recent research by Roger L. Ransom of the University of California (Riverside) and Richard Sutch of the University of California (Berkeley) has thrown some of these numbers into question. They believe that, adjusted for changes in the agriculture/industry balance (i.e., the strong movement out of agriculture), labor force participation rates for older U.S. males may actually have been increasing from the 1870s to the 1930s.(22) A major effect of this correction would be to center virtually the whole of the modern decline in labor force participation by older men in the last 50 years or so. So viewed, the change would be more recent, and also even more dramatic, than the conventional figures suggest.

Actually, the posited earlier trend to greater labor force participation would in many respects seem more natural than its sharp reversal during the last half century. Men live much longer now; they are generally healthier at any given age (witness photographs of men of 60, 65, 75, whatever, from today and from 50 or 100 years ago); the nature of work has changed, involving less manual labor, heavy lifting, and the like, as the economy has moved increasingly into the production of services; and we now know that, in the absence of specific debilitating diseases (like Alzheimer's), the elderly retain far more mental capacity than was heretofore imagined--particularly, one might add, if they continue to exercise their minds through challenging and productive work.

Of course, the matter is more complicated than this. Take the health issue for example. It might seem that longer life expectancies would more or less automatically be associated with better average health among the elderly. But this is not necessarily the case, since medical advances which prolong life may also prolong the lives of less healthy or disabled individuals. Thus, a recent study by Crimmins and Pramaggiore suggests that there may be some actual "deterioration in health" among both older workers and retirees. (23) Other commentators find this hypothesis "implausible" and suggest that a more important factor in the retirement of those retirees who give "health" as their reason for not working is the increased availability of social security disability insurance. (24) Under any circumstances, there is no evidence that deteriorating health is in any way a major factor in the dramatic overall trend toward early retirement.

Another consideration is the availability of jobs for these older workers. In the old days, according to Ransom and Sutch, elderly workers often took lower-level jobs rather than retiring from the work force altogether. Today's older worker may often be confronted with a "golden handshake," or a pension plan designed to secure early retirement, or a job market in which all the desirable positions, or even undesirable positions, have been taken. Not all retirements are voluntary; some are involuntary; perhaps even more are semi-voluntary, i.e., where the older worker can find some work but not at a level deemed appropriate.

We will come back to this issue of job opportunities briefly later. For the moment, we note only that one reason that job opportunities for older men have been less than fully satisfactory in recent years has been the flood of Baby Boomers and women, including mothers of young children, into the labor force. The total employment-to-population ratio in the 1980s and 1990s has actually been substantially higher than it was in the 1950s and 1960s.(25)

Having duly noted the complications, we can now go on to say that virtually every theory of why older men have been leaving the labor force so early includes reference to one notable fact: they can now afford to retire. They can afford to retire because we are a much richer society now than we were 50 or 100 years ago. But they can also afford to retire because through the social security, medicare, medicaid, disability, public pension, tax-deferred private pension, and numerous other programs, the U.S. government has effectively been making very large payments to elderly citizens--large, in particular, as compared to government payments to young adults and children. And, indeed, especially large in relation to payments to the parents of infants, toddlers, and pre-schoolers, who, as already mentioned, do not benefit from educational expenditures on behalf of school-age children.

We should not be surprised that these very large government programs have, in total, greatly influenced the retirement decisions of older men. Actually, one of the main arguments for the original social security legislation during the 1930s was that it would help keep older workers out of the labor force and thus make more jobs available for younger workers during the Great Depression. Whether through its disability program, its tax-shielding of private pension plans, or through the massive expenditures on social insurance and health programs (social security and medicare expenditures alone totalled over $400 billion in 1992--more than was spent on all childrens' programs, including public education), the government has been deeply involved in facilitating the increasingly early retirement of American men. When such early retirement is put together with the recent substantial, and in some respects unexpected, increases in life expectancies at older ages, we have clearly been witnessing a change in life-patterns of historic importance.

Why Young Mothers are Working

And what of the striking increases in the labor force participation of women and especially of young mothers? If older men often retire because they can afford to, the equivalent phrase for these young women might be: they work because they can't afford not to. Like retirement behavior, of course, the entry of young mothers into the labor force is a very complicated matter, and our summary answer has to be interpreted with great care.

One interpretation, for example, is that given by Betty Friedan who once wrote that young women were flooding into the labor force mainly out of "sheer economic necessity," to "survive." This argument is buttressed by analysis showing disparities in income growth between young adults of child-bearing ages and older adults over recent years. For example, the Census Bureau estimates that while household median income over the decade 1980-1990 increased 20.9 percent with household heads 65 and over and 4.3 percent with heads 55 to 64, it declined 10.8 percent with household heads under 25 and even marginally (1.1 percent) with household heads 25 to 34. (26)

However, the concepts of "economic necessity," and "survival" clearly have to be reinterpreted somewhat if we take any kind of historical perspective on the matter. Barbara Bergmann, a forceful supporter of the cause of women in the workforce, has noted that "a husband in the 1980s commands a salary that is (after accounting for inflation) perhaps four times as large as his counterpart at the turn of the century, whose wife did not `need' to work. If today's family is so well provided for by the salary of the husband alone, in what sense does the family `need' the wife's paycheck?" (27)

Furthermore, where economic "necessity" would appear to be less--in intact, as opposed to single parent, families and for educated, as opposed to relatively uneducated, women--labor force participation tends to be higher. In 1990, of mothers of children of less than a year, 56.6 percent of those in intact families were in the labor force as compared to 50.5 percent of widowed, divorced, or separated mothers, and 40.2 percent of never-married mothers. In the case of education, the gap is even wider, with labor force participation of mothers of infants rising uniformly with the level of education. At the extremes, 68.0 percent of mothers of infants with four or more years of college are in the labor force compared to 30.0 percent of those with less than a high school education.

All this, of course, is a reversal of an older pattern where it was usually and, in fact, virtually only very poor families in which the mother of young children would go out to make money. The great increase in the modern era is coming from women whose husbands are quite well off. Between

1960 and 1988, for example, the labor force participation of mothers of children under 6 increased by 274.8 percent for women married to husbands in the top income quartile as compared to 113.9 percent for women whose husbands were in the bottom quartile. (28) Indeed, many analyses have emphasized the lure of higher wages, rather than economic pressures, in explaining this dramatic change in women's labor force participation in recent decades. (29)

Still, we would defend the general notion that women in today's America work because, as we put it a moment ago, they "can't afford not to." And they can't afford not to because: a) there are some cases of genuine economic necessity even in the old sense of actual physical survival, particularly among never-married or other single mothers; b) "need," after a certain minimum of subsistence has been attained, is a very subjective matter and clearly applies to a much wider range of goods and services in a technologically advancing society than in earlier and more primitive times; c) among these new and more available goods and services is, for the conscientious parent, an increasingly expensive college education for one's children; d) no matter what one's husband is earning, there is always the possibility of divorce--

obviously a very serious possibility today and one the wife and mother will want to protect herself against by developing educational training and work experience; and finally, e) there is the overwhelming fact that in a long-life-expectancy, low-fertility-rate society, there really is no serious alternative to major, lifelong working careers for most women--which is to say that the career of full-time wife, mother, and home-maker has simply ceased to be an adequate life project.

This last point is in some ways the most vital of all. And what it suggests is that a major cost of not working when one's children are very young, even infants, is that one may thereby miss out on what could be an adequate life project--i.e., a full and satisfying career outside the home. There is little doubt that mothers who interrupt their careers currently suffer major disadvantages from doing so. Recent estimates are that the returning wage for such women is 33 percent lower than it would otherwise have been and that the "wages of women who have taken a leave from the labor market never catch up to the wages of women who never left it."(30)

Thus, anyone who is seriously interested in programs designed to restore the family as the "primary institution" for raising our young children will have to confront squarely the obstacles that interruptions of already launched careers present to young mothers and/or, as the case in the future may be, young fathers.

The Viability of Altered Life Sequences

In the analysis so far, we have been focusing on different cohorts rather than following a single cohort through its life cycle. Thus, the older men who are retiring early today are clearly not in the same age cohort as the young mothers who are flooding into the labor force today. The family history of a male retiree now in his 60s would, in the great majority of cases, have involved a wife who raised her young children at home, and, in fact, one or two more children on average than today's mother is raising.

Now, however, we want to consider the possibility--and especially the practical viability--of altering life sequences such that individuals characteristically would work longer into their life spans and would devote added years to bringing up their children at home. At this point it becomes important to keep in mind the distinction between the analysis of different cohorts and that of a single cohort over its life cycle. A scheme which envisaged substituting the labor force participation of today's elderly for today's young parents would run into a quite different set of problems--including political problems--from that which foresaw changes in the way in which individuals in a given cohort shaped their life cycles in terms of education, work, retirement, and the like. We will return to this distinction later.

For the moment, however, let us focus on the issue of later work lives and more parental care for children from the perspective of a single family's life cycle. Is there any fundamental reason that young people starting in life today would have to follow what would seem to be the increasingly indicated pattern: i.e., primary care for infants, toddlers, and pre-schoolers provided by non-parental care-givers so that both parents (or the single parent) can work full time in the labor force, combined with the expectation of early retirement (by historical standards) for men and continued early retirement for women? (31) Is there some insuperable obstacle that would cause us to rule out any pattern that involved a substitution of later work years for earlier ones so that parents could raise their own pre-school-age children at home?

In our judgment, the answer to this question is definitely negative. The basic reasons are the following:

1. We know that when we were a poorer society, not only a century or half century but even thirty years ago, parents were somehow able to manage to bring up their own young children without undue strain. If we calculate what is called the "total dependency ratio"--the number of persons under 20 and over 64 per 100 persons 20 to 64--we find that ratio to be exceedingly high in the year 1960 (0.90) and, indeed, higher then than it is today (0.70) and higher than it is projected to be even in the year 2040 (0.81) when all the Baby Boomers are over 64! (32) Yet somehow parents in the 1960s did make a go of things.

2. As already indicated, there seems to be no basic reason having to do with health or the nature of work available to prevent older persons from contributing productively to the workforce, certainly for the few extra months or years that might be required to replace the labor of one of two parents engaged in at-home child care. Actually, whatever small "deterioration of health" there may

have (or may not have) been, the massive change in the economy from manual labor to service activities almost certainly outweighs any health deficit as far as the viability of longer working careers is concerned. Moreover, as our society increasingly focuses on behaviors to maintain "good health"--a major development in recent years--the work capabilities of our elderly will almost certainly increase. Such work capabilities will, in all likelihood, be further improved by the very act of continuing productive careers in the labor force.

3. Although there may be a "job deficit" (far more serious than any "health deficit") for older workers, most trends should affect this problem in a very favorable way. As long as there was an enormous supply of young workers and women flooding into the labor force, businesses could not only lay off older workers with impunity but could easily find productivity, cost, and pension reasons for doing so. (33) By all projections, however, with the great Baby Bust having followed the great Baby Boom and with a very high percentage of young women already in the labor force (meaning that their numbers will expand much more slowly in the future under any circumstance), the main worry for the decades ahead

seems to be a labor shortage rather than a labor glut. This, in itself, should make employers more ready to retain their older employees and to restructure pension and other plans so that their current tendencies to encourage early retirement are reduced. Furthermore, insofar as a Parental Bill, or any other pro-family program, induces more young parents to raise their children at home, this will also make for somewhat greater employment opportunities for older persons, both male and female.

4. That older workers might be induced to spend more time in the work force by changes in public policies is strongly suggested by the reverse development which we have already witnessed, i.e., the effect public policies have had on inducing early retirement. If Ransom and Sutch are correct with respect to timing, then the sheer growth in the nation's wealth from the 1870s to the 1930s had little or no effect in inducing early retirements. It has only been in the era of social security, tax-shielded pension plans, disability insurance, medicare, medicaid, and on and on, that the flight of older workers from the labor force has occurred. Public policies have unquestionably tended to redistribute income from young parents and children to the

elderly in recent years. Thus, the real value of the tax exemption for children has not in any way kept pace with inflation or real income growth during the last 45 years; if it had, the exemption in 1991 would have been $8,260 instead of what it actually was--$2,150. (34) Federal expenditures on children' programs declined 4 percent between 1978 and 1987 while expenditures on programs for the elderly increased by 52 percent. As is well known, the rate of return on the social security contributions of the currently retired is extremely high. Indeed, according to Michael Boskin, the current generation of elderly persons are "better off than they were, on average, during their working lives." (35) Public policies can and do make differences, and there seems little doubt that, suitably adjusted, they could continue to make differences as far as the labor force participation of older citizens is concerned.

5. Furthermore, it should be remembered that the number of years that at-home parental child care subtracts from the labor force is likely to be quite limited. On the reasonable assumption that fertility remains somewhere around 2.0, or two children per woman, and the further assumption of our analysis that we are speaking only of the first five years of

the child's life, then the actual number of years involved for either the young mother or father or each in turn is quite small on average--perhaps seven or eight years. Since a substantial number of parents already do provide at-home care for their young children, the net subtraction of labor force years would be even less on a per capita basis. (36) A movement that resulted, in say, 25 percent of all parents, who would otherwise have worked and placed their children in some form of day care, raising their children at home would be, indeed, a massive change in behavior. To compensate for such a change would be very unlikely to require more than a year's later retirement from this cohort. (A crude calculation gives us eight years, divided by two parents is four years; 25 percent of four years is one year.)

6. But this calculation vastly overstates the actual impact of such a change on labor force requirements. A major reason that the substitution of work-years would be small is that, if pre-school-age children are not taken care of in the home, they have to be taken care of somewhere. The net gain of a year spent in the labor force and not spent in retirement is one year. The net loss of a year spent at home with young children and not spent in the labor force is one

year minus the labor force time required to take care of the children by others, either relatives, non-relatives, or in a formal day-care institution. Properly calculated, is there in fact any serious net loss of time in this substitution?

This last is such an important point that we must try to form at least a rough estimate of the relative costs of at-home and out-of-home care for very young children.

Gains and Losses from Out-of-Home Child Care

How much does society gain on average in terms of effective labor force participation by having young parents work rather than raising their young children at home? One could imagine gains from having children in day care due to economies of scale and the development of specialized child care skills. On the other hand, one could imagine gains from child care at home because of the natural emotional involvement of mother or father in the young child and the difficulty of substituting impersonal caregiving for this very special care. Also, there are costs involved in working in the labor force as opposed to working at home, and possible bureaucratic costs in building an extensive day care program nationwide.

There are two major problems in estimating the direct costs of child-care for children 0 to 5: 1) the enormous variety of child-care arrangements that parents currently employ; and 2) the fact that almost everyone agrees that the quality of presentday extra-family care--often involving poorly paid, outnumbered, and highly transient care providers--is inadequate and does not provide a proper standard of comparison.

If we imagine that we are dealing with a publicly provided system of day care, analogous to the public school system, and that the system is to meet professionally agreed upon standards of quality, then the most significant conclusion would seem to be that such care for infants, toddlers, and pre-schoolers would be very expensive indeed. In 1990, as already indicated, the average annual per pupil cost of public elementary and secondary education in the United States was around $5,000 in 1990 prices. These costs are presumably far below what full-time, year-round day care would cost for children ages 0 to 5 for three reasons: 1) a parent's full time workday is longer than the average school day, particularly when transportation hours are counted in, thus requiring day care facilities to care for children for longer hours daily; 2) there would be no appreciable summer vacation in the case of day care children, requiring more weeks of care each year; and 3) group sizes would have to be much smaller and staff-to-child ratios much higher for very young children than for children of school age. Thus, professionally recommended guidelines for appropriate group sizes for day care range from 6-8 for infants to 16-18 for preschoolers, or an average of about 12--much smaller than a characteristic public school class. Similarly, professionally recommended staff-to-child ratios range from 1:3 for infants to 1:6-1:9 for preschoolers, or an average of about 1:5+ for all children under 5--much higher than the teacher-to-pupil ratios in the public school context. (37)

Adding these longer hours, more weeks, smaller group sizes and higher staff-to-child ratios together, one may well imagine that the annual cost of publicly-provided quality day care for full-time working parents might very well be double that of the public school child, or around $10,000 a year in terms of 1990 dollars. Accepting this number for the moment as a basis for calculation, and assuming that we are dealing with a mother who has two children who are spaced two and a half years apart, then during the 7.5 years when there is a child under 5 in the family, the direct cost of day care would average $13,333 a year. (The family averages one and a third children under 5 during the 7.5 years, or one and a third X $10,000 = $13,333.)

Now these numbers seem high in terms of what parents of young children were actually paying for day care in the late 1980s and early 1990s, particularly since many parents did not use formal day-care centers at all, but much more informal (and lower-priced) arrangements. Also, as already noted, the quality of much of the care actually used would be judged professionally unacceptable by child care experts.

A careful study of the costs of California day care sites for fiscal year 1983 yielded, as one would expect, a wide range of results. (38) In the most expensive site--a state-subsidized school district program provided by the state department of education--the average annual cost per child was $5,150, or around $6,750 in 1990 dollars. Although this is well below our $10,000 guestimate for quality care, it should be noted a) that this center was primarily for children 2.5 to 5 years of age, who are less expensive than infants and younger toddlers; b) that the center did not meet the state-mandated staff-to-child ratio of 1:8 and occasionally "the actual ratio went as low as 1:18;" c) that only two of the caregiving staff were credentialed teachers and 40 percent of the caregivers had not even had a college course in child development; and finally, d) that by fiscal year 1983, because of budgetary problems, the program had moved "away from compensatory and developmental functions and toward less expensive custodial care." Having noted all these points, one is inclined to guess that our original estimate of $10,000 for quality care is not as far off as one might have thought.

Of course, this was the most expensive of the 6 sites studied. At the least expensive site, the annual cost per child was around $2,850 in 1990 dollars. However, this center (sponsored by a city Department of Recreation) took no children under 1.5 years old (the most expensive) and half the children were 5 or over and received after-school care only. Also, one notes that only 2 out of a staff of 25 had teaching credentials and that 19 of the staff had no credentials whatsoever. This is very understandable considering that a head teacher's hourly pay was $7.50, an assistant's $5.43, and a child care aide's $4.93 in 1990 dollars. Again, if adjustments are made to account for the ages of the children and the quality of care, our estimate does not seem to be seriously overstated.

What is of special interest to us is, of course, how the costs of day care (and associated working costs) compare to what the mother--or, as the case may be, the father--would earn as a second-earner in the market place. Angela Browne Miller, the author of the California study, notes that in the early 1980s, "an average single mother with one child under two years of age spends 49 percent of her income on child care. Child care costs are a sizeable chunk out of family income even for lower middle-income, two-parent families, who typically spend 26 percent of a $24,000 annual income on child care." (39)

A study in the August 1991 Journal of Marriage and the Family by S.L. Hanson and T. Ooms finds that when work-related costs, including child care, "are taken as a portion of the dual-earner family's income advantage, their advantage over single-earners is decreased by as much as 68%." (40) This study is not directly relevant for our purposes since it considers families with children under 18, rather than our 0 to 5 age group, and also considers families in which the second earner's work may be full-time or part-time.

Nevertheless the study is of great interest because it indicates that not only baby and child care, but also other work-related expenses play a major role in determining the net gain from working outside the home. Thus, for middle income families in 1980-83, work-related expenses for the second earner, exclusive of child care, came to the equivalent of about $3,800 a year in 1990 dollars. (Actually, from an immediate income point of view for the families involved, second earner work-related expenses in total--including income and payroll taxes--reduced the income advantage of two-earner over one-earner families to 24 percent.) This $3,800 covered additional costs for food away from home, household operations, domestic services, women's apparel, transportation, and personal care.

If we were to add this $3,800 to our estimate of $13,333 a year for quality child care in a two-child family over a period of 7.5 years, we would get an annual cost, apart from taxes or social security contributions, of $17,133 for a second earner working outside the home. This number, as we have indicated, is well above what people actually paid out for child care in 1990, but it represents a fair estimate of what properly should be spent if our youngest children are to be placed in quality day care. And the remarkable thing, of course, is how high the number is--so high in fact that it is fairly close to what a second-earner mother, employed full-year, full-time in 1990 would have earned before taxes. In 1990, for example, the median income of full-time, full-year working wives was just above $20,000 a year. Furthermore, this figure overstates what mothers of children 0 to 5 would be earning because such mothers would tend to be younger than working wives in general, and also they would have some responsibilities for their young children even if the latter spent virtually the whole day in day care. Properly accounted for, then, there is surpisingly little, if any, labor force gain from having out-of-home care for very young children so that both parents can continue in the job market.

Since working parents do not, in point of actual fact, use quality care in many cases, we acknowledge that the total labor force available for production other than child care would be reduced somewhat if parents currently in the labor force were to assume responsibility for such child care at home. However, the loss would be only a fraction of the officially measured reduction in the labor force and the number of labor years--or more accurately labor months--

required of older workers to replace this lost labor would be exceedingly small.

None of this is meant to suggest that there aren't major obstacles to any attempt to alter life sequences; only that there are no insuperable obstacles. Quite apart from the politics of the matter (no small consideration), serious problems could arise in three areas: a) the difficult situation of single parents; b) a need even in intact families for each spouse to protect against the possibility of divorce; and c) the problem, which we have already stressed, of interrupting or otherwise hampering the career prospects of wives and/or husbands if substantial time is taken off to raise young children at home. As noted earlier, the wage losses of women who leave the work force temporarily are quite serious and, under present arrangements, are not fully made up later in life.

These then are very important problems and any serious policy to promote parental child care will ultimately have to address each of them.

A Parental Bill of Rights

All this is by way of necessary background for the public policy suggestions we will now propose. If we were to sketch out some of the characteristics we might like to find in a truly pro-family public policy program, minimum conditions would seem to be the following:

1. It would emphasize that parental care for children, and especially for very young children, is an activity of great value that should be taken seriously and deemed worthy of honor and prestige in the society at large.

2. It would not seriously jeopardize the overall career prospects of the spouse who remained at home while the children were of pre-school age.

3. It would be in the nature of an investment expenditure, ultimately repaying itself to society, rather than a consumption expenditure which has no clearcut or expected long-run dividends.

4. It would not significantly encourage parents to have more and more children so that they could effectively stay out of the labor force indefinitely as welfare dependents.

5. And, of course, it would provide significant incentives for parents to provide primary care for their own children, at least for the first five years of life--the

central point of the exercise.

Whatever other measures might be employed, we propose that the centerpiece of such new public policy should be a Parental Bill of Rights modelled on the so-called GI Bill of Rights adopted near the end of World War II. The essential premise of such a Parental Bill of Rights would be that parents who raise their own young children do, in general, perform an extremely important social service but that, in doing so, they sacrifice current income and especially their long-run career prospects. In return for suffering these sacrifices for a socially desirable end, society will compensate them by subsidizing their further education so that they can more effectively reenter the labor force, or, if younger, initiate a long-run career path. Such education, as under the original GI Bill, could be at high school, vocational school, college, graduate school, or even post-graduate school, levels. It could also include subsidized apprenticeship or other on-the-job training programs in industry.

In the case of returning veterans, although the situation was obviously different in its particulars, a clear analogy exists: these men and women had made notable sacrifices for a highly desirable social end--in the case of World War II, defense of the country. While in service, they had received very low wages and also had had their educations and/or work experience disrupted, in some cases for a period of several years. Society repaid these veterans by providing them with a subsidy including tuition, books, and a subsistence income so that they could start or complete an educational program that would help reintroduce them to civilian life.

And what a dividend society itself reaped! Under the GI Bill and successive acts, over 19 million Americans went on either to collegiate higher education or to various forms of vocational, technical, or other career training. James A. Michener has recently claimed that this law was "one of the two or three finest Congress has ever passed since our Constitution took effect." (41) Peter F. Drucker actually dates the entire beginning of the modern information age from the 1944 passage of the GI Bill. (42) The William T. Grant Commission sums up:

> By this stroke of national policy, the nation's pool of trained talent was expanded manyfold and the postsecondary educational domain, once the preserve of an affluent elite, was democratized beyond that of any other country. Fueled, at least in part, by so many newly skilled hands and trained minds, the United States

> enjoyed the longest period of economic expansion and prosperity in our history. (43)

Without much question, the GI Bill was one of the most successful programs the federal government has ever launched.

How would such a program, adapted to the needs of parents of young children meet the five general conditions we have suggested above?

First, by its title alone--but more significantly, of course, by its provisions--a Parental Bill of Rights would announce a significant societal commitment to, and respect for, parental care for young children. It could hardly help but raise the cultural status and prestige of stay-at-home parenting. Also, in time, as a consequence of taking advantage of the program, many former "homemakers," now often disparaged by their more career-minded peers, would join the ranks of the better-educated and more highly-trained members of society. Who would be able to disparage their life choices then?

Second, the program would directly address the question of the career prospects of the spouse who had stayed home to take care of the children. As we have repeatedly noted, a major cost to the parent of such child care is the interruption to an already established career or the delay in launching a career--interruptions and delays which are, on average, never fully made up later in a person's work experience. To combat this potential loss, the Parental Bill of Rights would make it possible for the parent to achieve an offsetting gain: a higher level of education and training than would otherwise be undertaken and, perhaps just as significantly, education and training that can be immediately followed by employment to which no further interruption need be feared or anticipated, either by the employee or the employer.

This "sequencing" approach very possibly has major advantages compared to alternative approaches, including the much-discussed "mommy track" (which, in fairness, should really be called a "mommy or daddy track"). Instead of trying to combine career and family all along the way, the Parental Bill approach suggests following a "parenting track" for a time, and then a reasonably uninterrupted "career track" subsequently.(44) It is arguable that this would be much more desirable for employers, who would not face today's ever-present possibility of the young mother (or father) dropping out, returning for a time, dropping out again, and so on. It might be more desirable also for the employee, who could, on returning to work, now devote his or her attentions much more singlemindedly to career-building activities. Any woman who resumed or launched her career after childrearing could reasonably expect, not only in theory but in practice, treatment fully equal to that accorded her male colleagues.

Third, the furthering of the parent's education would clearly be an investment that would pay off in higher productivity. Recent research attests to the very high returns to additional years of education in today's America. One study finds as much as a 16 percent increase in wage rates for each year of schooling completed. (45) Similarly large returns are found in a 1993 Census Bureau study which estimates, for example, that monthly average earnings for a person with a high school diploma in 1990 ($1,077) were over twice as high as those of a person with no high school diploma ($492). The earnings of a person with a college diploma ($2,116) were roughly twice as high as those of persons who had stopped with a high school diploma. And those with professional degrees earned $4,961, or over twice as much as those with college degrees only.(46) Among other things, such high returns promise higher tax revenues for the government when parents who have completed further education under Parental Bill auspices return to work.

Also, all evidence is that we as a society are facing a shortage of highly skilled and trained workers relative to job demand and a comparative surplus of unskilled workers relative to the availability of low skill jobs. (47)
Actually, for those who truly believe that the family is and should be the "primary institution" for raising young children, there are really two investment gains here: 1) the increased human capital invested in the parent, and 2) the beneficial effect on the child's development of having closer parental care and attention during the early years of life.

With regard to the parent, it may be added further that experts increasingly stress the desirability of lifelong learning in an extended life-expectancy society. The emphasis in this program on major educational experience occurring after basic child-rearing has taken place is at least very consistent with such an approach. A pattern of later-in-life training can be justified, among other reasons, because of rapidly changing technologies which render obsolete many skills learned years before.

Fourth, it seems very doubtful that such a program would, in itself, cause any parent to keep having children so as to accumulate more and more educational credits over time. This is a danger easily guarded against in any event. In the basic program developed below, we place a limit of two children, or a base of 10 years of early child care, on which educational benefits would be calculated. One also might wish to design the program specifically so that past credits could be used only when there were no pre-school-age children in the family. In this case, the incentives would probably work to induce parents to finish their child-bearing and -rearing years in a fairly compact way so that they could get on with their further educations and careers.

Fifth, and finally, a Parental Bill of Rights, as a net addition to whatever current family programs remain operative, or are initiated, would certainly move society in the general direction of increasing at-home parental care for infants, toddlers, and pre-schoolers. How large the impact would be would, of course, depend on the specific design of the program--how much would the tuition benefits be, what allowances would be made for living expenses, over how many years could the benefits be spread, and so on--but also on what other benefits were available to parents and at what costs. For example, if a Parental Bill were adopted and at the same time even larger new subsidies to out-of-home child care were instituted, the net effect on promoting parental care for children might be zero, or even negative.

In short, the direction of the program in terms of promoting parental care is clear, but the extent of its impact, as well as its overall costs, obviously require much further articulation and analysis.

Guidelines Within the Parental Framework

Before attempting a brief sketch of a model Parental Bill program in terms of estimated costs and benefit provisions, it is desirable to set out certain general guidelines within which this specific program has been shaped. These guidelines have to do both with the goals and with the underlying economics of the program:

> Guideline 1: It is desirable to focus any major new program with respect to children and families primarily on pre-school-age children who currently receive less public support than any other dependent age group.

We have mentioned earlier that the Rockefeller Report basically focuses its efforts on all children under 18, despite the fact that there is a tremendous disparity between the public monies going to older children and those going to preschool-age children. A somewhat similar criticism can be made of the 1993 report of the National Commission on America's Urban Families, Families First. (48) Our first guideline is based on the existence of this enormous disparity, and also what we believe to be the special and pressing need for more care and attention for our youngest children.

Guideline 2: More support should be given to all parents of pre-school-age children, whether these children are raised by parents at home or given primary care in a day care or other extra-family arrangement.

Since under any conceivable future arrangement, a number--and very probably a substantial number--of parents will choose to have primary care for their pre-school-age children provided by outside agencies while they are working, it is highly important that these children receive better care than is the case under present arrangements. In principle, the subsidy here could be made either to the parents, so that they can afford better quality day care, or to the day care institutions themselves, so that better quality care is available at more affordable prices. Since we are dealing, in the case of intact families, with two-earner households, this subsidy should not be excessive. The special problem of single parents we will return to later.

> Guideline 3: Parents who raise their preschool-age children at home should be given a further subsidy beyond that given to all parents under Guideline 2, and this subsidy should be in the form of the availability of educational benefits under a Parental Bill of Rights approach.

By virtue of this guideline, the balance of subsidies would be clearly tilted in favor of stay-at-home parenting for preschool-age children. Parents who stayed at home, but did not take advantage of the Parental Bill provisions would be on a par, subsidywise, with parents who put their children into various day care settings. But all such parents would have the further option of resuming their education and training when their children achieve school age. Thus, the greatest total subsidy would go to parents who raised their own children and then went on to further schooling under the Parental Bill. This tilting of incentives would be justified on the grounds a) that parental child care is highly desirable, cet. par., and b) that career interruptions or delays are very injurious to the long-run prospects of young parents and should be compensated by additional public support.

Guideline 4: In the long run, each age-cohort should finance its own net subsidies through what will probably be quite small reductions in its retirement benefits. Most likely, these reductions should take the form of raising the ages of partial or full eligibility for social security and other age-related payments.

The need to extend average retirement ages to compensate for more in-home child care is likely to be small. Also, because of its investment features, the net tax burdens of the program are also likely to be relatively small. In principle, however, the plan proposes effectively to increase subsidies for very young children relative to subsidies for retirement. Each age-cohort would thus be encouraged to give fewer work hours during the young-parenting stage of life and more work hours during the (early) retirement stage of life. Although there is much disagreement about the recently advanced proposition that we are "overworked Americans," (49) there is no doubt whatever that, relatively speaking, we work far harder and are under much greater stress in those young-parenting years than we are in our 60s and early 70s when, in days of yore, continued labor force participation was more the rule than the exception. (50) Thus, financing a substantial part of the program through reduced elderly benefits is not simply incidental to but an intrinsic feature of the program.

Guideline 5: In the short run, the transition costs of the program should be borne in substantial measure by all adult age-groups, including retirees, and families and individuals without children. .

Although the long-run financing for the program will come from each age-cohort, there is a short-run transition cost deriving from the fact that the cohort that includes the young parents receiving the benefits will not be paying for these subsidies in terms of reduced old-age benefits until later in life. Thus, in the short run, we basically shift from a cohort basis (as in Guideline 4) to an intergenerational basis. What this new Guideline proposes is that these short-run costs be largely borne by all current adults whether or not they have children and no matter what their age-group. The principle here is simply an extension to the case of very young children of the principle used to finance public education: namely, that society at large, including retirees and childless persons, has a clear interest in the well-being of children. There is no reason to believe that this interest, already applied in the case of older children, should not be applicable to the very earliest, and in someways possibly the most crucial, years of a child's life.

Guideline 6: While most of the short-run burdens of a Parental Bill and other family measures should fall on all adult age-groups, including today's retirees, and while, in the long run, entire age-cohorts and not just parents should bear these burdens, it is also generally desirable that some specific costs should be borne directly by the subsidized parents themselves.

This last guideline is motivated by budgetary considerations. Experience with all public programs--federal, state, or local--reveals a tremendous tendency for beneficiaries who are charged nothing directly and explicitly for their benefits to demand a continuous and ultimately unsustainable expansion of those benefits. Where the benefit is provided directly by the government, one also has the self-interest of the bureaucracy to consider. Cost-containment for virtually any government program would, it seems, require that beneficiaries be made aware of some significant portion of the costs involved, usually by some greater or lesser charges that they themselves have to pay. At a minimum, such measures help create a constituency for keeping costs at least somewhat under control.

There are many different ways of incorporating this principle into a Parental Bill style program. In the model program developed below, we introduce two ways in which parents would be charged for and made aware of the subsidies they are receiving. For parents who receive the general child subsidy but place their children in a day care arrangement, their general subsidy would be reduced to the exact degree that the day care arrangement is itself already publicly subsidized. For parents who raise their children at home and use the Parental Bill option, they would effectively have to pay (later in life) for two-thirds of what we will call "Parental Bill Subsidy II."

Many other arrangements are, of course, possible. Where practical, however, finding at least some way way of tying benefits to explicit charges seems quite desirable.

Expenditures under a Basic Plan

It is easier to specify a structure for a Parental Bill program than to estimate what its actual costs might be. The latter would depend very much on usage: how many young parents would actually avail themselves of the opportunities offered? In the following analysis, we may well have erred on the high side in this respect--thus over-estimating the costs of the program--but we do so because we are well aware of the experience of the GI Bill. Most analysts in the early 1940s underestimated, and some wildly underestimated, what the appeal of that program to returning veterans would be. With this caveat, we describe a variant of the program which we call for convenience, the "Basic Plan." Expenditures under other variants could obviously be higher or lower than under the Basic Plan.

The Basic Plan consists of three subsidy programs which we call: 1) the Universal Subsidy; 2) Parental Bill Subsidy I, and 3) Parental Bill Subsidy II. All these subsidies apply only to children under age 5. Furthermore there is a limit of two children per family (or equivalently 10 child-years) for which subsidies are paid. We consider first expenditures and then, in the following section, financing.

1. Universal Subsidy: Like the $1,000 tax refundable subsidy proposed in the Rockefeller Report, the Universal Subsidy is simply a payment per child aged 0-5 to families with up to two children in this age group. The proposed payment in the Basic Plan would be $1,500 per child for each year of the child's first five years of life, or a total of

$7,500 per child. This subsidy would apply independently of whether or not the child received primary care by a parent at home or through a center, family, or other day care arrangement. However, if a day care arrangement is used, the subsidy would be reduced to the degree that per child costs in the day care facility are subsidized by federal, state, or local governments.

We base total annual costs for this subsidy on the assumption that 14 million children are to be covered (51), and that public subsidies to day care of $3 billion are to be subtracted. (52)

This would give us a total annual cost of 14 million X $1,500 = $21 billion - $3 billion = $18 billion.

2. Parental Bill Subsidy I: Parents who give primary care to their children under 5 at home (to a limit of two children) would be eligible for educational benefits after the child has reached 5 to the value of $7,500, or again $1,500 per year.

On the rather extravagant assumption that two-thirds of the eligible children have a parent who takes full advantage of Parental Bill Subsidy I, the annual costs would be:

$$14{,}000{,}000 \text{ X } \frac{2}{3} \text{ X } \$1{,}500 = \$14 \text{ billion}$$

Needless to say, this would imply a major (and possibly unlikely) shift to parental care as a result of this program.

3. Parental Bill Subsidy II: Parental Bill parents would be eligible for a further educational benefit for another $7,500 per child, of which, however, they would have to pay the equivalent of $5,000 in the present value of social security benefits forgone (usually in the form of a further delay in eligibility later in life). The net subsidy would thus be $2,500 per child, or $500 per year.

Assuming that half the parents who took advantage of Parental Bill Subsidy I went on to use Parental Bill Subsidy II, the total annual cost would be:

$$14{,}000{,}000 \text{ X } \frac{1}{3} \text{ X } \$500 = \$2.33 \text{ billion.}$$

4. Total Estimated Cost: Under these quite liberal assumptions, the total annual cost of the three subsidies would be:

Universal:	$18 billion
Parental Bill I	14
Parental Bill II	2.33

Total	$34.33 billion

For comparison, the Rockefeller subsidy of $1,000 to all children under 18 (estimated at 64 million) would directly cost $64 billion. They reduce this to an estimated $40.3 billion by taking back part of the subsidy through the elimination of the personal exemption for dependent children. When other programs in the report are added, however, the total of recommended new expenditures comes to between $52 and $56 billion a year.

For a parent with two children who used the full Parental Bill options, the total subsidy would be:

Universal: $7,500 X 2 = $15,000
Parental Bill I: $7,500 X 2 = 15,000
Parental Bill II: $2,500 X 2 = 5,000

$35,000

If the two children are born 2.5 years apart, then the annual subsidy over the 7.5 years would amount to $4,667 per year. On a per child per year basis, the subsidy would be $17,500 divided by 5 years, or $3,500. This would bring the pre-school subsidy much closer to that received by school-age children at the present time.

Financing of the Basic Plan

As suggested in our earlier discussion of Guidelines, there are two fundamental ways of considering the financing of a Parental Bill plan: 1) immediate (or short-run), or 2) long-run. The distinction arises because the cohort which is to pay for the program in its later years has not reached those years, and the cohort that has reached those years will not have benefited from the program.

The immediate problem, intensified by the current federal budget deficit, is in some ways the most difficult. However, the long-run problem is ultimately the more important one and it requires two significant comments:

First, it is our belief that this program should not be allowed to result in any net additional government spending compared to the present day. By "net" we mean: net of tax revenues generated by the program itself. Assuming that there is some net cost to the program, we believe that it should be borne by each cohort and by reduction of expenditures on that cohort in its later years of life.

Second, it is also our belief that, just as the labor force costs of this program would be very slight, we also believe that the additional government spending required to give this program effect would in the long run be much less than that suggested by the figures cited above. One reason for this is that returns to extra years of education are, as already noted, very substantial and have increased greatly in recent years. If it is really true that each year of schooling produces an average 16 percent increase in wage rates and a parent averages two more years of schooling through this program, then such a parent may well earn more taxable income over a lifetime than one who remained continuously in the workforce, particularly if, as is likely, such a parent remains in the work force somewhat later in life than otherwise. Also there may be very important economic gains from having children raised with increasingly attentive parental care. This better care could affect children's lifetime earnings and, very possibly, lower the costs to society of juvenile crime, delinquency, and the numerous other psychological problems and maladjustments which have become so widespread in recent years.

Even back in the 1960s, it was claimed that the World War II GI Bill had paid for itself (53). How much stronger that claim could be made today for a Parental Bill launched in an age when the crying needs of the nation are both for better child care and for higher quantitative and literacy skills than our emerging labor force is predicted to possess!

It would be impossible to make a realistic assessment of just how much these educational and other gains could reduce the net cost of the Parental Bill over time. What can be said without too much hesitation is that the immediate, or transition, costs of the program represent a substantial exaggeration of the true long-run costs of the program.

Still, these short-run costs do exist and financing them would require either increased taxes or reduced benefits on a current basis. Apart from the costs specifically assessed on the beneficiaries, this financing should, as we have argued, be borne by all adult age groups including the currently retired and also individuals and couples without children.

The immediate costs of the $34.33 billion on a per capita basis for the population aged 22 and above would be around $200 per year in 1990 dollars. Adding on the short-run extra costs of Parental Bill Subsidy II (to be financed in the long run by the specific beneficiaries), the total cost would rise to $39 billion and the short-run per capita cost to around $230 per year.

For alternative sources of financing for these expenditures, one might well look at the Rockefeller Report where no fewer than seven different taxation (or other expenditure-reducing) schemes are proposed to finance their larger ($56 billion) child-oriented programs. There is nothing intrinsic in the Parental Bill approach that mandates one or other of these methods of finance. (Remembering, of course, that from a long-run vantage point, such net costs as there will be to the program will ultimately be financed by increases in retirement age eligibilities and other similar age-related measures.) In general, we would not advise the Rockefeller Report recommendation of eliminating the personal exemption for dependent children even though it would, at an estimated $21 billion, finance over half the entire program. Rather, we would prefer that the bulk of the short-run costs be borne across the board by the entire working-age population, and also by retirees through minor increases in the taxation of social security benefits or small reductions in the rate of increase of benefits.

Another point about financing is worth stressing, and this has to do with calculating whose social security or other age-related benefits should be reduced when the program finally assumes its long-term form. For it takes two parents to make a child and, in many cases, it may be only one of the two parents who actually enjoys the benefits, whether Universal (say, if the father is absent from the home), or Parental Bill benefits (where in many cases it may be the mother alone who receives the educational subsidy). The general principle we would apply is the following:

> No matter who receives the benefits, all costs should be assessed equally to both parents. Any raising of retirement age eligibility should be applied to mother and father both, and not simply to the parent who receives the subsidies and exercises the Parental Bill options.

This rule should apply even in the case where the parent is unmarried--most often, an unmarried mother. Like the National Commission on America's Urban Families, we believe that our legal system should be designed to "identify the father of every child born in the United States." (54) Their discussion of this issue in Families First, including advocating the use of genetic tests of paternity where necessary, is both timely and valid. Assuming that the father is known in all cases, then his social security record should reflect any deferred eligibility in exactly the same way as the mother's. The same should hold with divorced parents, where the non-custodial parent (whether mother or father) should also bear half the costs of the Parental Bill Subsidy II enjoyed by the custodial parent.

An interesting consequence of this approach might be to give particular encouragement to single-custodial-parents to use Parental Bill Subsidy II since the cost to them personally of securing further education would effectively be reduced by half. Arguably, this would be a desirable feature of the program.

One final point is that we see no reason that the educational benefits under the program must be exercised by the parent who has remained home with the children. Although it should be that parent who has the right to receive the educational benefit, there may be circumstances in which that parent would choose to cede that right to her (or his) partner. Indeed, it is probably wise in this, and, indeed, any family-oriented, program to think in terms of family units rather than in terms of either parent separately whenever it seems reasonable and convenient to do so.

Some Complications

Family units do, however, break up and it is time now to consider some of the complications that divorced parents, never-married parents and absent fathers pose for the Basic Plan, or, indeed, any of the dozens of imaginable variations on that Plan that are possible. Earlier on, we mentioned three serious issues--single parenting, insurance against divorce, and the costs of interrupted careers--which we described as "major" but hopefully not "insuperable" obstacles to any realistic effort to promote parental care for small children. Let us look at these briefly now.

Actually, we can be particularly brief on the third of these issues since a great part of our ongoing discussion has focused on career problems. The essence of the Parental Bill approach is to enable the parent who has raised children at home to make up for the career interruption by arranging for additional training and education. This is the strong suit of the proposed program and a major reason for advocating it, particularly in an economy where the returns to training and education are now so demonstrably high. We add here only that the indirect effect of the program in terms of raising the general status and prestige of childrearing may be as important as its more specific provisions. As mentioned earlier, the very adoption of a national policy designed to promote at-home child care for pre-school-age children would represent a statement that our society considers such work to be of great value and importance. And the special feature of the Parental Bill is that it also says that careers are important. In a long-life-expectancy society, there is no need for a sharp dichotomy: proper life-sequencing can avoid the unnecessary stresses that so often distort the lives of today's young people.

But what of the other two problems--single parenting, and insurance against divorce? As far as the single parent (usually mother) problem is concerned, the Parental Bill approach involves a significant issue mainly insofar as it tilts incentives toward at-home parental care. If this approach is followed, the program unquestionably would militate against various workfare and child-care subsidy schemes that otherwise might be introduced, or expanded, to address the problems these mothers face. The difficulty is particularly acute when, as is often the case, these single mothers are in poverty. Essentially, there are three policy alternatives here: 1) Encourage poor women on welfare to work and have others bring up their preschool-age children. 2) Encourage them to bring up their own preschool-age children and then get later training and education so as to become more productive members of the labor force. Or, 3) preserve strict neutrality between these options.

Each alternative has rather obvious arguments in its favor. Suffice it to say here that for those who believe that the family is, or at least should be, the "primary institution" for raising children, the second alternative would be preferred. Introducing a strong Parental Bill of Rights with a view to encouraging all families, rich or poor, intact or single-parent, on welfare or off, to care for their preschool-age children and then to go on to further education and training followed by entry (or re-entry) into the labor force is arguably the best overall policy for addressing the long-run needs of single-parent welfare families.

Because the alternatives are quite clearcut here, this might well be an area in which pilot programs using the two different approaches--day care + workfare vs. parental care + subsequent Parental Bill training--were experimented with. If it were found that either program had notable advantages with respect either to cost, or to the future prospects of the mothers or their children, or to both, then the preferred program could be adopted nationwide. There is no reason that an overall Parental approach would have to include welfare clients or that the special needs of welfare clients should determine the fate of the overall program if it were deemed worthy on other grounds. Flexibility is both possible and desirable in this area.

The second issue--the divorce question--is in some respects the most difficult of all. By the "divorce question" here, we mean the effect of a high-divorce-rate society on the protective actions couples take within the context of still-intact families. In particular, when divorce is a serious and ever-present possibility, a major argument for young mothers to enter the labor force is that, if and when divorce comes, they will have had sufficient job experience so that they can make their own way independently of any assistance from their ex-husbands or the state. An important reason is the bad history of child- and custodial-parent-support in this country in recent years. Settlements are often inadequate and even inadequate settlements are often not honored. Since the very fact of divorce itself means a clearcut economic loss to all parties (two households are substantially more expensive to operate than a unified household), the possibility that the unprepared (and sometimes even the well-prepared) woman and her children may be plunged into poverty after the divorce is very strong.

To a limited degree, the program suggested in this paper should help alleviate this problem. In general, we are advocating directing more resources to young parents, thus relieving some of the economic burdens of those parents whether before or after a divorce has occurred. Also, the Parental Bill specifically provides for supporting a divorced parent (and preparing that parent for labor force participation) once the children are of school age. Further, since it is intended that both parents share any direct costs of participating in Parental Bill Subsidy II, the custodial parent who uses this program will, as noted earlier, effectively receive an educational subsidy from the departed parent.

Finally, although the point cannot in any way be proved, there is a possibility that such a program, overall, might lower the divorce rate itself, at least where preschool-age children are involved. For one thing, the Universal Subsidy provides more income for all families with small children and might ease the stress which the pressures of simultaneous child-rearing and career-building place on young families.

Equally and perhaps more important is the fact that the program may ease the special stress of the mother who, at the present time, is usually forced to choose between mothering or career, with no intermediate ground to rest on. Either both functions suffer, or one particularly suffers, or there is an attempt to "do it all," in which case it is the mother herself who does all the suffering. By offering a middle ground in which career-deferring activities do not mean career-ending activities, where one can focus primarily on one important activity during one period of life and another in another, where one really can "do it all," but in sequence--in all these ways, the Parental Bill approach should help reduce tensions which otherwise cannot but test even the most compatible of marriages.

Still, while all this is optimistic enough, we are at best dealing with half-measures which do not adequately address the divorce problem. Although it is not a subject covered in this paper, family advocates will generally want to give strong support to measures combining tougher child-support enforcement with a government-insured minimum benefit for custodial parents who are owed support. While not a panacea, such measures would at least lessen the pressure on young mothers (or fathers) to protect themselves against the possibility of future divorce. By lessening this pressure, these measures too might somewhat reduce the probability of divorce. At a minimum, one would somewhat lower the risks parents would take by staying home during the few years required to raise their small children. And, of course, one would provide needed economic protection for the children themselves--a desirable goal under any overall pro-family program.

It is even possible that society should go further on the divorce issue by subjecting divorces that involve children to much closer scrutiny than in recent years. One development that is getting increasing attention these days is a requirement that parents contemplating divorce should be required to undergo counseling that specifically focuses on the effects of divorce on children. Thus, the Families First report recommends that "especially in cases involving minor children, legislatures should consider adopting or extending meaningful waiting periods for divorce, perhaps coupled with mandatory participation in counseling or marital education," (55) At a minimum, agencies of the federal government should disseminate information about the effects of divorce on children--effects which are demonstrably real and often deeply unfortunate. (56) Full public awareness in this matter cannot hurt and ultimately might help promote more concern for our children's futures.

While these issues take us somewhat afield from our present analysis, they ultimately have a direct bearing on it. In the absence of fairly strong protections against the hazards of divorce, getting parents to raise their own children under a Parental Bill of Rights or any other scheme will face serious obstacles in many cases.

Conclusion

This paper has presented an approach designed to promote, and hopefully to help reestablish, the concept of the family as the "primary institution" in America for raising young children. The family is clearly not fulfilling this function adequately at the present time, and the wreckage in terms of child poverty, school performance, suicides, homicides, juvenile violence, obesity, and general behavorial and psychological problems is everywhere around us.

The centerpiece of our approach is a Parental Bill of Rights which would enable parents who have interrupted, or not yet started, their careers in the labor force, to raise their pre-school-age children at home and then to secure education and retraining to enable them to participate productively in the nation's workforce once their children have started school.

Essentially what is envisaged is a somewhat different life sequence from that which has been emerging in recent years. A pattern that has become increasingly characteristic and is often projected into the future involves dual careers for parents while young children receive their primary care from non-relatives outside the home, followed by early (by historic standards) retirement and a much extended number of years in retirement. This pattern has clearly been influenced by public legislation involving major subsidies to the elderly, making such early retirement affordable.

The sequence proposed in this paper would more characteristically involve: 1) one parent (or alternating parents) staying at home to give primary care to children under the age of 5; 2) a return to, or entry into, the labor force after the children reach school age, such return being facilitated by a Parental Bill of Rights analogous to the GI Bill enacted during World War II; and 3) a somewhat, though probably not substantially, older retirement age to offset any loss of labor force participation owing to added time spent raising children at home.

In order to finance such a program and to promote the desired labor force changes, there should be a general increase in subsidies going to people when they are young parents and a relative reduction in subsidies going to people later in life. Guidelines are presented for the general structuring of a program which would involve a Universal Subsidy, a Parental Bill Subsidy I, and a Parental Bill Subsidy II to parents of young children under various conditions. In the long run, each cohort would finance its own programs, largely through reduced or deferred social security, health care, or other age-related benefits. In the short run, however, most costs would be borne by all adult age-groups including retirees and families and individuals without young children.

It should be noted 1) that, when quality day care is envisaged, the net labor force costs to society of having parents raise their own young children is likely to be exceedingly small; 2) that, when the actual expense of quality day care plus other working-away-from-home expenditures plus personal and payroll taxes are taken into account, the actual income advantage of dual-earner middle income families is drastically reduced; and 3) that, given the very high returns to education and training in today's high tech economy, it is clear that the net long-run budgetary costs for the Parental Bill program are likely to be much lower than those presented in this paper.

Despite obvious problems--notably those arising from the difficult situations of poor, single-parent families and from the need of young spouses to protect against the possibility of divorce--it seems fairly clear that serious efforts can be made to restore the family to its historic role as "primary institution" for raising our young children. With a Parental Bill of Rights and a general reallocation of funds to each age-cohort in its youth as compared to its old age, plus a more conscientious effort to protect the casualities of divorce whether children or custodial parents--with an array of such measures, the cause of the institution of the family need not be lost. Just as public policies have done much to create the strange situation in which we now find ourselves, so can such policies help restore a more natural order to our personal and family lives.

The real question, finally, is not whether these goals can be achieved, but the seriousness of our commitment to achieving them.

Notes

1 Carl N. Degler, At Odds: Women and the Family in America from the Revolution to the Present (New York: Oxford University Press, 1980), pp. 3-4.

2 John Demos, A Little Commonwealth: Family Life in Plymouth Colony (New York: Oxford University Press, 1970), pp. 183-184.

3 Beyond Rhetoric: A New American Agenda for Children and Families (Final Report of the National Commission on Children: U.S. Government Printing Office, 1991).

4 Sources for this paragraph are the National Child Care Survey, 1990 (Sandra L. Hofferth et al.: The Urban Institute Press, 1991) and U.S. Bureau of the Census, "Who's Minding the Kids?" Current Population Reports, Series P-70, No. 20 (Washington, D.C.: U.S. Government Printing Office, 1990).

5 Report 101-356, Select Committee on Children, Youth, and Families, U.S. House of Representatives, p. 51.

6 The estimate that the number of children living without either parent has increased by over a third since 1970 is from the Annie E. Casey Foundation, Kids Count Data Book

(Washington D.C.: Center for the Study of Social Policy, 1992). The Casey Foundation has, indeed, published the striking figure that in 1990 nearly 10 percent of American children (6.2. million) were living in a home without either parent, i.e., with other relatives, non-relatives, or in an institution, including some children who were teenage parents themselves. It should be noted, however, that other estimates, using somewhat different definitions of living "without either parent," are substantially lower than the Casey Foundation estimate.

7 U.S. Bureau of the Census, Current Population Reports, Series P-20, No. 433, Table 9.

8 Report of the National Commission on America's Urban Families, Families First (Washington, D.C.: U.S. Government Printing Office, 1993), p. 19.

9 Thus, in a Census Bureau Study, it was found in 1981-84 that 71 percent of women who received maternity leave benefits returned to work within six months of the child's birth, as compared to 43 percent who had not received such benefits. (Martin O'Connell, U.S. Bureau of the Census, "Maternity Leave Arrangements, 1961-1985," Figure 9; Paper presented at the annual meetings of the American Statistical Association, August 7, 1989). Similar results are found in studies of particular corporations. For example, before Aetna Life & Casualty Co. instituted its family leave program, only 77 percent of the women who went on maternity disability leave returned to work; after the new policy went into effect, 91 percent did. (Carol Kleiman, "Companies with family leave say program can work," Fort Lauderdale, FL, Sun-Sentinel, February 15, 1993.)

10 Cheryl D. Hayes, John L. Palmer, and Martha Zaslow (eds.) Who Cares for America's Children? Child Care Policies for the 1990s (National Academy Press, 1990). For a critique of this NRC report, see Richard T. Gill, "Day Care or Parental Care? " The Public Interest, No. 105, Fall, 1991.

11 Isabel V. Sawhill, "Young Children and Families," in H.J. Aaron and C.L.Schultze, eds., Setting Domestic

Priorities: What Can Government Do? (Washington, D.C.: The Brookings Institution, 1992), p. 156.

12 Suzanne Bianchi and Edith McArthur, "Family Disruption and Economic Hardship: The Short-Run Picture for Children," Current Population Reports, Series p-70, No. 23, January, 1991, p. 10.

13 See John H. Bishop, "Is the Test Score Decline Responsible for the Productivity Growth Decline?" American Economic Review, 79 (1), March, 1989.

14 The table appears in Sarah Glazer, "Violence in Schools," in The CQ Researcher, published by Congressional Quarterly, Inc., September 11, 1992, p. 797. The source cited is: CBS News Broadcast cited By Senator John Glenn, D-Ohio, in a statement before the Senate Committee on Governmental Affairs, March 31, 1992.

15 Northwestern National Life Insurance Company, "Children's Health at Risk: Attitudes of America's Children and Parents," 1993.

16 Nicholas Zill and Charlotte A. Schoenborn, "Developmental, Learning, and Emotional Problems: Health of Our Nation's Children, United States, 1988," Advance data from vital and health statistics; No. 190, NCHS, 1990. For further commentary on the 1988 National Health Interview Survey of Child Health, see Deborah A. Dawson, "Family Structure and Children's Health: United States, 1988, NCHS, Vital Health Stat 10 (178), 1991.

17 Samuel H. Preston, "Children and the Elderly: Divergent Paths for America's Dependents," presidential address to the Population Association of America, Demography, 21 (4), November 1984.

18 There is, needless to say, very considerable difference of opinion among the experts about the special importance of the care and nurturing children receive early in life. There is also very significant controversy over the importance of having parental and/or maternal care during these early years. For an example of the position that maternal care may be desirable during at least the first

three years of life, see J. Belsky and D. Eggebeen, "Early and Extensive Maternal Employment and Young Children's Socioemotional Development: Children of the National Longitudinal Survey of Youth," Journal of Marriage and the Family, 53 (4), November, 1991. This same issue contains vehement critques of this position by Sandra Scarr, Deborah Lowe Vandell, Kathleen McCartney, and Saul Rosenthal. This exchange is also notable for a more general sociological reason, namely, in showing what happens to anyone who dares suggest that maternal employment might possibly have harmful effects on small children. As Belsky and Eggebeen ask in their rejoinder: Had their results turned out differently, would there have been quite such a massive attack on their methods?

19 Numerous discussions with federal agencies revealed no published calculations of total public subsidies to preschool-age children as compared to school-age children. Rough calculations by the authors, based on Beyond Rhetoric data for 1989 (Table 11-1, p. 315) suggest that the total subsidy given to school-age children compared to that given pre-school-age children may be as high as three times, i.e., the former in 1989 was substantially over $5,000 while the latter was probably under $2,000.

20 Although there are some recommendations in Families First specifically geared to very young children, these appear to be confined to newborns--e.g., an extra dependent exemption during the year of a child's birth or adoption, tax credits to business to provide 6-month leaves after a child's birth, etc. There is no particular effort to provide any equivalent to the large public school subsidies for the families of pre-school-age children.

21 We have to say "somewhere around three-quarters" since the Rockefeller Report actually presents a range of recommended expenditures (from $52 to $56 billion a year), reflecting the fact that the Commission members did not agree unanimously on all proposed expenditures.

22 Roger L. Ransom and Richard Sutch, "The Labor of Older Americans: Retirement of Men On and Off the Job, 1870-1937," Journal of Economic History, 46 (1), March, 1986.

See also, Ransom and Sutch, "The Decline of Retirement in the Years Before Social Security: U.S. Retirement Patterns, 1870-1940," in Rita Ricardo-Campbell and Edward P. Lazear, eds., Issues in Contemporary Retirement (Stanford, CA: Hoover Institution Press, 1988). In the latter article, they note that "the incidence of retirement among nonagricultural workers was declining before the late 1930s. Therefore, the postwar increase in the propensity to retire--a trend that has received much journalistic and academic attention--cannot be viewed as the continuation of a prewar trend. Instead, there was a sharp reveral of direction in the trend at the time that falls between the passage of the Social Security Act of 1935 and the granting of tax incentives to corporate employers that established company pension plans with the Revenue Act of 1942." (p. 4)

23 Eileen M. Crimmins and Maria T. Pramaggiore, "Changing Health of the Older Working-Age Population and Retirement Patterns over Time," in Ricardo-Campbell and Lazear, Issues in Contemporary Retirement. They conclude that "the overall pattern of changes in the proportion of men working and in the health of both workers and retirees is consistent with some deterioration in health as well as an increasing tendency to withdraw from the labor force when a health condition is diagnosed." (p. 148)

24 In his discussion of the Crimmins/Pramaggiore paper, Donald O. Parsons finds their results not only "implausible" but also argues that "the rapid changes in the self-reported health measures in the 1970s are fully consistent with the changes in the Social Security disability structure." What is "surely a less dramatic shift in health conditions" could hardly explain the sharp change in retirement behavior. (p. 159)

25 Thus even in the recession year, 1991, the civilian employment-to-population ratio in the U.S. at 61.6 percent was higher than any year in the 1950s, 1960s, or 1970s, and ran around 5 or 6 percentage points higher than the average throughout the 1950s and 1960s. See the Economic Report of the President, January, 1993, Table B-36, p. 389.

26 See Peter Francese, "The Dream is Aging," American Demographics, March 1992.

27 Barbara Bergmann, The Economic Emergence of Women (New York: Basic Books, 1986), p. 31. Bergmann's own explanation of women in the labor force emphasizes "advancing technology" in a general sense (see especially, pp. 60-61).

28 Paul Ryscavage, "More Working Wives Have Husbands with `Above-Average' Incomes," Monthly Labor Review, 102 (6), June, 1989.

29 See, for example, the Economic Report of the President, January, 1987, p. 214; and also James P. Smith and Michael P. Ward, Women's Wages and Work, report prepared for the National Institute of Child Health and Human Development. R-3119-NICHD (Santa Monica, CA: Rand Corporation, 1984). Smith and Ward calculate that a one percent increase in women's wages increase their labor supply by eight-tenths of one percent (p. xix).

30 This estimate is from Joyce P. Jacobsen and Laurence M. Levin, "The Effects of Intermittent Labor Force Attachment on Female Earnings," paper presented to the American Economic Association conference, 1992. The authors discuss the situation of a woman leaving work at 25 and returning 7 years later to work full-time, and find that the "present value of the difference between her earnings twenty years after she re-enters and what they would have been had she remained constantly employed is $52,000 [1984 dollars]...This amount is equal to 15 percent of her prospective earnings had she worked constantly, or approximately three years' worth of wages --a considerable difference. Thus, the cost of taking a seven-year gap is ten years of earnings."

31 We have been speaking mainly of the early retirement of men because that is what has changed in recent decades. Older women continue to have very low labor force participation rates.

32 This, of course, is because of high fertility in the Baby Boom period. See Census Bureau, Current Population

Reports, Series P-25, No. 952, Table 6.

33 There is evidence that many firms pay workers less than their productivities when they are young and more than their productivities when they are old, thus creating incentives for workers to remain with the firms until a certain age, but also creating incentives for firms to get rid of workers after a certain age. The whole area of pension policies, particularly with respect to defined benefit plans, is clearly very important for considering the retirement decision. Works that deal with this issue include Ricardo-Campbell and Lazear, eds., Issues in Contemporary Retirement (already cited); David A. Wise, ed., Issues in the Economics of Aging (Chicago: University of Chicago Press, 1990); and R. Gill, N. Glazer, and S. Thernstrom, Our Changing Population (Englewood Cliffs, NJ: Prentice-Hall, 1992), especially Chapter 7, "To Work or to Retire?"

34 Beyond Rhetoric, pp. 85-86

35 Michael J. Boskin, Too Many Promise: The Uncertain Future of Social Security (Homewood, Ill: Dow Jones-Irwin, 1986), p. 22.

36 The combination of low fertility and longer life expectancies has drastically reduced the percentage of a mother's life when a child under 6 is in the household, as compared to earlier times. From the mid-19th to the mid-20th centuries, this percentage fell from 30.5% to 11.0%, or by nearly two-thirds! See Mary Jo Bane, Here to Stay: American Families in the Twentieth Century (New York: Basic Books, 1976), Table 2-1, p. 25.

37 For a discussion of these professionally recommended standards for group size and staff-to-child ratios, see Genevieve Clapp, Child Study Research: Current Perspectives and Applications (Lexington Books, 1988), especially Tables 2-1 and 2-2.

38 Angela Browne Miller, The Day Care Dilemma: Critical Concerns for the American Family (New York: Insight Books, Plenum Press, 1990).

39 Ibid, pp. 20-21.

40 Sandra L. Hanson and Theodora Ooms, "The Economic Costs and Rewards of Two-Earner, Two-Parent Families," Journal of Marriage and the Family, 53, August 1991, 622-634.

41 James A. Michener, "After the War: The Victories at Home," Newsweek, January 11, 1993, p. 26.

42 Peter F. Drucker, "The Post-Capitalist World," The Public Interest, No. 109, Fall, 1992, p. 91.

43 The Forgotten Half: Pathways to Success for America's Youth and Young Families (Washington, D.C.: Youth and America's Future: The William T. Grant Commission on Work, Family, and Citizenship, 1988), p. 134.

44 The "mommy track" refers to the concept developed by Felice N. Schwartz, "Management Women and the New Facts of Life," Harvard Business Review, January-February, 1989. It might also be added here that the 1993 family leave legislation might, like the "mommy track" concept, lead employers to treat women employees rather differently (and usually less well) than male employees. This reemphasizes the possible advantage of the Parental Bill approach in getting the really heavy--i.e., pre-school--parental obligations taken care of first, and then taking up a career in a less distracted way a bit later on.

45 Orley Ashenfelter and Alan Krueger, "Estimates of the Economic Return to Schooling from a New Sample of Twins," Working Paper No. 4143, National Bureau of Economic Research, August 1992. Their conclusion is: "our best estimate is that increased schooling increases average weekly wage rates by about 16% per year completed. This is a far larger estimate than any we have seen in the prior literature. Even if our procedures of adjustment for measurement error are not accepted, within-pair estimates of the returns to schooling in our data are never less than 9% per year completed." (p. 19)

46 U.S.Bureau of the Census. Current Population Reports,

Series P70-32. "What's it Worth? Educational Background and Economic Status: Spring, 1990," U.S. Government Printing Office, Washington D.C., 1992.

47 Gary Burtless, ed., A Future of Lousy Jobs? The Changing Structure of U.S. Wages (Washington, D.C.: The Brookings Institution, 1990).

48 See above, footnote 20, p. .

49 For two quite different views as to whether Americans in general are "overworked," see Juliet B. Schor, The Overworked American: The Unexpected Decline of Leisure (New York: Basic Books, 1991), and John P. Robinson, "Time's Up," American Demographics, July 1989. All observers agree, however, that there has been an enormous increase in leisure late in life as compared to the childrearing and career-building years.

50 Cf. the view of Matilda Riley who argues that "the same rigid structures that tend to force older people into idleness also lock younger people into school, jobs and other responsibilities with enormous pressure to accomplish everything early in life--and then get out of the way." (Don McLeod, "Matilda Riley's Revolution," AARP Bulletin, 33 (11), December, 1992, p. 12).

51 Currently, according to the Census Bureau, 72.6 percent of children are either first or second children--the only ones covered in this program. Thus, of approximately 19 million preschool-age children, slightly under 14 million would be covered.

52 No estimates appear to be available for total federal, state, and local subsidies for day care for preschool-age children. Also, there are difficult problems of policy here. Should Head Start (federal subsidy of $2.2 billion in 1992) be included or excluded? How about federal grants to preschoolers under the Education for the Handicapped Program ($457 million in 1992)? The $3 billion figure cited in the text must be regarded as largely conjectural at this point.

53 Keith W. Olson, The G.I.Bill, the Veterans, and the Colleges (Lexington, KY: University of Kentucky Press, 1974), pp. 107-108, and reference to Cyril F. Brickfield, "The G.I.Bill Paid Off," Employment Service Review (June-July 1965).

54 Families First, p. 52.

55 Ibid, p. 48.

56 It has to be acknowledged, however, that there is some disagreement as to what portion of the ill-effects on children of divorce is due to the divorce itself and what portion to the bad marriage preceding the divorce. For this controversy, see Andrew J. Cherlin, et al., "Longitudinal Studies of Effects of Divorce on Children in Great Britain and the United States," Science, 252, June 7, 1991; Richard T. Gill, "For the Sake of the Children," The Public Interest, 108, Summer, 1992; A.J. Cherlin, "Nostalgia as Family Policy," and R.T. Gill, "Family Breakdown as Family Policy," The Public Interest, 110, Winter 1993.