

going to center upon income maintenance, Government as a residual employer, and the third point, which I do not mention here, the issue of revenue sharing with the States. I shall speak only in fact to the first two.

Not speaking particularly as an economist, I think that income maintenance could scarcely have avoided becoming a public issue, once Americans became sufficiently productive so that the elimination of the financial component of poverty became possible. The estimate is common, both in the Economic Report and in last year's Automation Report, that for about \$11 billion or so, we could lift all families and individuals now below the poverty line above that line.

How can a society capable of totally eliminating financial poverty at the expense of a redistribution of a mere $1\frac{1}{4}$ to $1\frac{1}{2}$ percent of its gross national product long refrain from doing so?

Possibly it is this uncomplicated human perception as much as the specific arguments in favor of income maintenance that has united such men of usually disparate opinions as the League for Industrial Democracy's Michael Harrington, Yale's and the New Frontier's James Tobin, and Chicago's and Conservatism's Milton Friedman. But the rational arguments are exceeding powerful in addition. Of these, the first and most significant concerns freedom of choice. A welfare client may well be a poorer judge of what is good for him than a trained social worker. This is the inevitable conclusion of the social work profession. All the same, the welfare client may be a good deal better pleased with his life if he is permitted to satisfy his own pattern of preferences. Indeed, a welfare client allowed free use of his income may arrive in time and of his own volition to a desirable standard of expenditure, even by the criteria of others. A person on welfare does not by the fact of his misfortunes cease to be an adult eager to exercise whatever liberty of choice an exiguous income permits him.

By itself the libertarian argument is a sufficient ground for the substitution of income maintenance for the patchwork welfare administration techniques. And there are two more reasons at the least for supporting the change of approach. One is the simple fact that trained social workers are too few in number and too burdened by the administration of complicated, semipenal regulations to offer the assistance that their clients might conceivably benefit from and that current social welfare theory believes to be indispensable.

A second argument is related to our good luck in possessing ready at hand two much more efficient mechanisms for the handling of transfer payments, the social security system and the Internal Revenue Service. The social security system could readily administer a scheme which focused upon family allowances, a version of income maintenance now in effect in Canada and strongly supported for the United States by former Assistant Secretary of Labor Daniel P. Moynihan. Alternatively, the Internal Revenue Service could graft a negative income tax upon the existing tax structure. Few would advocate income maintenance primarily upon efficiency grounds. Still, it is reassuring to realize how neatly efficiency and social compassion here coincide.