It is also my conviction that the public assistance system, no matter how improved, will not answer the needs of contemporary America.

Patching up a basically irrational system—based as it is on individually determined need and accountability—will not work in the long run. But neither will a new income maintenance system provide the nation with a solid basis on which to attack the problems of poverty.

Therefore, I and others have proposed a five part "package" of programs that must be implemented together if we are to pursue realistic solutions. It must be said that there is no guarantee that such a package will do the job. But it is certainly time to try.

Three of the programs are in the area of income maintenance—the transfer of the aged, disabled and blind to Social Security; the development of a children's allowance system; and the reorganization of the public assistance system into a residual program to aid the few Americans not reached by the other four programs.

The fourth part would be a system providing guaranteed employment to all able to work, and the fifth part would be an extensive network of public social services for everyone, whether or not they are in need of financial aid.

Income maintenance

I approach this discussion with some hesitation since I would prefer not to contribute to the polarization of opinion about which income maintenance system would be better than public assistance.

First, let me say that any of the systems now under discussion would be better than public assistance. But for several reasons—none of them strong enough to override my lack of confidence in the present one—my personal preference is for children's allowances and social insurance benefits for the aged and incapacitated, rather than for a negative income tax.

I am aware that many distinguished economists and sociologists have preferred the negative income tax. But the view that we can substitute one simple system for the many systems we now have is, in my judgment, not realistic.

Briefly, the social insurance and allowance concepts—across the board within the categories—seem to me to have the following advantages over the negative income tax:

1. Across-the-board benefits are simpler to administer, since they are given to everyone in certain specific categories;
2. They reduce the problem of disincentive to work, since the benefit is a supplement rather than an income in itself;
3. They eliminate the means test and the principle of individually determined need that have been found to be the rock on which the public assistance system has foundered: services for the poor tend to be poor services;
4. They emphasize the family as an institution worthy of special attention;
5. They have been tested by the experience of 62 nations over many years; and,
6. They have been accepted and dignified by long usage in the United States in the Social Security and Unemployment Insurance programs.

At this point in our history, it is particularly vital to devise programs that avoid creating special classes of recipients and dividing them from the rest of society. The lower-income groups who now feel most threatened by and most hostile to new social programs should be enabled to benefit from these programs.

The problem of expense would apply to *any* income maintenance system and the level of payments decision is equally serious in both cases. But it seems to me that productive experimentation is more possible with supplements than with the negative income tax—and experimentation should begin as soon as possible.

The movement of the "adult categories" of assistance—the aged, blind and disabled—into the Social Security system is a change that we could well contemplate almost immediately. There are more than 75,000 persons receiving aid in these categories this year in New York City, at a cost of $93 million.

Many of these persons are receiving some Social Security benefits, but at a level lower than that of public assistance. If we were to provide a minimum benefit of $100 a month, and blanket-in all persons in these categories, whether they were insured or not, most of that $93 million could be transferred to the Federally-financed Social Security System and substantial savings could be effected in staff and facilities.

The principal argument against such an arrangement has been that it is a violation of the principle of contributory social insurance and would require