

What would be your idea of an ideal children's allowance program?

Mr. GINSBERG. I would push for the ideal program which, realistically, I think in this country is a substantial period away, of an allowance for all children. The question of the levels is a major problem. There is no doubt that there is this expense factor, although, as I have said, a good deal of work has begun to be done on what might be done with the tax system to minimize or reduce this cost. So my idea: One, would be to provide an allowance of the type I have suggested across the board. I do not think that is realistic, and I think it is understandable that the Congress and the American people would hesitate to move in that direction. That is why I urge, if it is the camel's nose—although in this case it might be considered his whole face or his head—that it be an allowance for children below school age. I think that would meet an objective need where the need is greatest and, at the same time, would quickly demonstrate the validity and value of this kind of approach.

Representative BOLLING. Mr. Carter?

Mr. CARTER. Lest you think that because of Commissioner Ginsberg's comments, the figures are astronomical, way beyond anything presently talked about, there has been work done by such people as Professor Brazier at Michigan and others which shows that if it went to all dependent children, the costs could run anywhere in the neighborhood of \$13 to \$16 billion. So you are not talking about, as some people have suggested, \$30 or \$50 billion in connection with children. This is on the assumption that you take away the income tax exemption and that you tax back progressively.

Representative BOLLING. I am glad to have those figures in the record. I would like to point out that I am not really very frightened of figures, because my own supplemental view to the Joint Economic Committee's comments on the President's Economic Report suggested that the costs to meet recommendations of the Kerner Report might be roughly the same as the cost of Vietnam, and I happen to be a supporter of our policy in Vietnam, and we would be talking about spending \$30 billion a year to meet the problems raised by the Kerner Report. The other day, in hearings of the full committee dealing with the Kerner Report, the best estimate that I heard—and it did not frighten me—was that, probably, if we were to implement the recommendations of the Kerner Report in 5 years, it would cost us \$40 billion a year. This was by a very judicious and careful—and not conservative in the philosophical sense but conservative in the technical sense—economist.

I think one of the very fundamental things that hearings of this sort can do is to gradually accomplish what Mr. Carter was talking about at the very beginning. That is, begin the dialog among the American people as to what are the realities of the problem against which they inveigh so loudly, and what it is going to cost to solve the problem.

Personally, my own view, as I have stated repeatedly, is that these are problems the solutions to which should have been started, and were attempted, 30 years ago, and what we are now reaping as a whirlwind are the seeds of which we planted 40 years ago.

I thank you very much, Madam Chairman.

Representative GRIFFITHS. Thank you, Mr. Bolling.