

I would like to say also that we reviewed yesterday the New Jersey test. I think it has lots of things seriously wrong with it. The only thing that it is going to test is whether or not an income given to unemployed males with families will do anything. It should test also, in my judgment, women with families, as it should test young people who have no families at all. Why does it not test young women and young men? That young woman has a very good chance of being one of those who draws ADC. Why not give her some money and see what she does there without having a child?

Mr. REES. Could I respond to that?

Representative GRIFFITHS. Yes.

Mr. REES. I am involved in the New Jersey program. I am a consultant to Mathematica, which is the organization doing the field work in the New Jersey experiment.

Representative GRIFFITHS. Yes.

Mr. REES. I think there are two answers. I think it is a fundamental of good experimental design that in order to detect the effect of any experimental treatment, the people within your sample have to have some characteristics in common. There has to be some homogeneity in that sample. Therefore, to include a large variety of different types of families in the same experiment, I think, would obscure the results. It would make it difficult to see what the outcome of this experiment really was.

Now, I quite agree with you, there should be an experiment on the effect of incentives on welfare mothers. There have been some minor experiments along these lines in some of the ADC programs, and I hope that there will be more. I would like to see somebody fund another experiment about the size of ours in which the sample consisted entirely of female-headed households.

In other words, in order to see how a national negative income tax would work, we really need three or four such experiments. It is quite clear that the one we are doing now, in and of itself, will not provide a complete estimate of national costs. I would regard it as one of a number of possible tests that are needed. One would be an experiment in a rural area, because our experiment is entirely urban. Another one would be one with female-headed families, because ours is entirely with families that contain a male member.

But an experimental negative income tax program is very expensive, because you have not only your research costs, you have also the payments to the participants. With the amount of money that OEO could squeeze out of its budget, it was not possible for them to fund more than one such program. Now, I understand there is some possibility that some private foundations may fund additional experiments with other populations. Then if we had two or three of these, I think we would have the best experimental evidence on the effects of a public income maintenance program before it was actually legislated that there has ever been. I do not know of any previous history of large-scale experimentation with the programs before they have been designed and adopted.

Representative GRIFFITHS. I would think that in addition to welfare mothers, you really should have out-of-work teenagers—out-of-school and out-of-work teenagers—to see whether or not they use the