

them. Cash programs cannot solve these problems alone. They can contribute to their solution.

In indicating the limitations of the income approach, I am not attempting to pile up objections. Rather, I passionately believe in the importance of emphasizing income programs and have long argued that the war on poverty was limited because it was not moving on both the job and income fronts. I am aware that pointing out the limitations of a cash approach may feed its critics. But it seems to me that it is dangerous to try to oversell something when it is clear that its basis is flimsy. Failing to provide a decent income floor for individuals is harmful to them. But providing an income floor will not automatically solve all the problems of our society. We have been subject to too much panacea-hopping and gimmick-chasing these last years. I hope we shall avoid them.

No one program, it should be clear, can solve all the woes of America today. That stands true for a job program. It stands true for an income program. They both have a role as do other kinds of programs. Some of the sickness of America cannot be solved by jobs or income. Other kinds of activities—particularly political participation and decision making—are also needed. But to argue the limits and effectiveness of any program is not to deny their tremendous worth and need in America today.

The social science knowledge needed to test the arguments for cash programs is deficient. Most issues come down to a question of what are the important values that we have rather than the knowledge questions. Social sciences cannot solve for us these problems of choice. We are dealing with what are essentially moral and political, rather than scientific, questions.

As such, then, what can we say about what a cash program can do? A cash program can help the employed poor in the United States. Only a fourth of the people who are poor in the United States are currently receiving welfare aid. This is a terrible circumstance.

A cash program can assure that every American has a decent standard of living.

A new cash program can eliminate the stigma of welfare payments today.

WHY WELFARE ROLLS HAVE RISEN

At the same time that we are concerned that people should have more money, we are also concerned with the rising rolls of welfare. There is a fundamental ambivalence in our analysis of thinking today about cash programs. We are concerned that there are poor who are not being aided; we are concerned about stigma; we are concerned with low income as a permanent way of life. But, we want to reduce the welfare rolls and at the same time increase them by making sure that everybody in need gets funds. We want to provide an adequate level of living, but we want to make sure that people have incentive to go out to work. Thus, we believe in the importance of cash programs, but fear them at the same time.

It is important to recognize that the absolute increase in the numbers in cash programs is far smaller than the absolute increase of the population in the United States each year. And that the percentage of all cash transfers in the United States welfare has *not* been increasing as a percentage of national income. Nor may welfare be increasing as a percentage of city budgets. But I am less sure of that. Welfare payments have gone up absolutely but not relatively, apparently.

THE CHANGING NATURE OF CASH PROGRAMS

This country has moved in thirty years from depression to affluence, with a current fear of inflation. A cash system constructed for the depression days is being evaluated in terms of the issues of quite a different economy and society. Recognition of these changing conditions are important for appraisal of cash programs. Three important changes have taken place—in scope, in clientele, in goals.

The prediction of the late 1930's was that public welfare would have a narrow and declining *scope*. It was intended as a residual program. As social security expanded, the need for public welfare would decline. The rising numbers on welfare have consequently been disturbing. But it should be pointed out that, despite the absolute increases of those receiving welfare aid, we have been fairly stable in the percentage of national income going for welfare.

A second aspect of scope has changed. The welfare program was thought of as a part of the efforts to deal with the interruption of income during the depres-