

the anti-poverty efforts cannot be effective because they are not redistributive so that they reduce the gap between the poor and the affluent.

Over the longer run, the issue is a *dynamism* of cash payments, the adjustment of payments to keep up with the rising standards, as well as the rising prices of society. In my opinion, current discussions neglect dynamism. An important question is—which kind of change in cash programs is most likely to foster dynamism?

What are the implications of the changing scope, clientele and goals? Clearly, not all critics are concerned about the same issues. The common concern about faulty performance of the welfare systems does not mean that all critics have the same agenda. Indeed, the concern of many economists with which plan is more desirable frequently lapses into technicalities which bury the basic issues of objectives and commitments.

The goals of many reformers collide. The goal of adequacy may conflict with that of incentive, encouraging people to work. Reducing costs conflicts with extending coverage to the working poor and with providing adequate payments. These are not technical issues alone but questions of policy direction.

ISSUES

After insisting on the divergences among those supporting change in the welfare systems, I do want to say that it seems to me that at least some ingredients of reform have widespread agreement. Many, as do I, want to get away from a heavy emphasis on investigations of individuals on relief, freeing them from invasions of privacy and dignity. Simplifying need determination is important. Second, I see widespread agreement on the desirability of getting away from creating new social types (e.g. "families with dependent children") with intricate regulations about whether or not they are "eligible" for aid to treating families in terms of their needs.

There is less agreement about the aged, but I believe there is a growing conviction that the aged poor should be folded into the social security system, receiving payments as a matter of age rather than because they have made some past contributions to the system. The extension of the Prouty Amendment to those past 65 would be the policy I would recommend.

Incidentally, the social security system has not had the searching analysis that it merits. The vehemence of its critics in the '30s seems to have permanently scarred its long-time friends so that they do not freshly address the role and character of the system today.

The basic issue in income maintenance reform, however, is complicated and plagues us today as it did the enactors of the Poor Laws. That is the possible conflict between adequacy and incentive. A level of benefits permitting a decent level of living may encourage some people not to work. But, on the other hand, a low level of benefits probably reduces the effectiveness of cash programs as investments in human resources as well as maintainers of self-respect.

We do not know sharply the effects of high benefits or incentives to work. Our opinions are more often anecdotal, reflective of our experiences with or hopes for humanity, than based on hard information. But even though as one of those proud to be a "bleeding heart," I am ready to agree with the most pessimistic that some people will be malingerers, preferring the indolence of an adequate, unearned income to the pressure and pain of working. The question is how many will act this way. And the following basic question is should public policy be *primarily* constructed to deal with potential malingerers? For if so, it is likely that the new objectives of our cash programs cannot be achieved. Inadequate payments, investigations, interference with self-determination are likely to follow.

Nor would I assume that work is the therapeutic for everybody and that everybody should be encouraged, nay pushed, into working. Many women should be able to concentrate their energies on their children rather than having to work.

But I would not dismiss the incentive issue. I think that our cash program reforms should have heavy incentives to earn, much greater than in the Welfare Amendments of 1967. I recognize that increasing incentives to earn introduces questions of equity with the "notch groups" not receiving benefits because they are just beyond the benefit lines. But I do not think that we have fully utilized our ingenuity in dealing with this problem.