

I bring this up because if we get locked into a discussion of income maintenance, I fear that it would be putting the focus in the wrong place. I was impressed particularly with Mr. Miller's remarks. I wonder why it might not be better possibly to set as a goal a purposeful job for all who wish it, whether it is in the public, private, or private nonprofit sector, with the kinds of things Mr. Tobin is talking about, in terms of income maintenance only during a temporary period. Otherwise, the focus, it would seem to me, Mr. Tobin, would be on the income maintenance rather than on what, if these assumptions I have made are valid, would be a more appropriate goal, namely, useful employment.

Am I off the track? Is that what you think, or is there some distinction you would like to draw?

Mr. TOBIN. No; I think I would very much agree with you. The ultimate objective is to have a society in which everybody—with the exceptions you began with, which are going to happen on a probability basis all the time—will have the earning capacity to provide himself and his family with a decent living. I think that is the basic objective of the war on poverty, eventually to see to it that our educational system, the general social environment in which people grow up, our training programs supplementing the normal educational system, will equip everybody with earning capacity. I do not see any reason to believe that this cannot be achieved.

Of course, there will always be some situations where people have exceptionally large families early in their life compared to the state of their earning capacity, education and experience. We will need plans of income maintenance of some kind to handle that kind of gap. But essentially I think you are right in stating the objective. But I do not think it is an easy task or one that is going to be accomplished very quickly. That is because of the inherited neglect of a large part of our educational system, the intrinsically great problems in making it perform in the way that does the job you are talking about. So meanwhile, I think we are going to have a fairly long period in which we do need an income maintenance system which takes care of the remaining gap between people's earning capacities and their needs, as well as taking care of the members of society who are just out of the job market either for reasons of personal disability.

Representative RUMSFELD. It seems to me that the "meanwhile" becomes rather important. To get from point A to point B, you have to step off and aim for point B. As I have listened to some of the discussion on a negative income tax, I have gotten the impression that some people are beginning to think of it as the goal—namely, sufficient cash income. I do not think we are going to arrive where we want to arrive if we point toward income maintenance as a goal. The goal should be something very different. I wanted to sort out whether you agreed and you indicate you do have a "meanwhile" in there.

Mr. TOBIN. Oh, yes. But the kind of negative income tax system we are talking about is a system that would phase itself out as the earning capacities of the relevant population grow. Surely no one, I hope, who is advocating this kind of reform of the income maintenance or income assistance system believes that adopting it is a reason for abandoning or not increasing our efforts to improve the educational system and these other basic factors in the provision of earning capacity.