

live in dignity," and it would be apparently no business of the taxpayers if the recipient chose nonetheless to live without dignity, and to devote his guaranteed leisure to dissipation, drunkenness, drug addiction, or even a life of crime.

Proposals for a guaranteed income have differed regarding what the exact amount should be. The general range suggested has been between \$3,000 and \$5,000 for a family of four. A social security board estimate has fixed the minimum "poverty line" figure at \$3,335 a year for such a family. Several guaranteed-income proposals have adopted this figure as the standard.

The first thing to be said about this scheme economically is that if it were put into effect it would not only be enormously expensive to the taxpayers who are forced to support it, but that it would destroy the incentive to work and production on an unparalleled scale. As one commentator has put it:

Those who believe that men will want to work whether they have to or not seem to have lived sheltered lives.

Who, in fact, let us ask ourselves, would be willing to take the smelly jobs, or any low-paid job, once the guaranteed income program is in effect? The guaranteed-income sponsors propose to pay, say, \$3,300 to a family without any income, but to families already earning some income they would pay only the supplementary sum necessary to bring the total up to \$3,300.

Now, suppose, say, that you are a married man with two children, and your present income from some nasty and irregular work is \$2,800 a year. The government would then send you a check for \$500. But it would soon occur to you that though you now had \$3,300, you could have got this \$3,300 anyhow without doing a stroke of work. You would conclude that you would be very foolish to go on working at your nasty job or series of odd jobs for \$2,800 when you could get \$3,300 without doing any work at all.

So the 30 million population now judged to be below the poverty line would stop producing even most of the goods and services that it is producing now.

The money cost of the guarantee, of course, would be enormously greater than any of its sponsors calculate, because these sponsors all assume that those who are getting less than the guaranteed income of \$3,000 or \$4,000 would nonetheless continue to work for the smaller incomes that they are already earning.

Not only would the scheme destroy the central incentive to work, not only would it drastically undermine even the incentives of those earning more than the \$3,300 guarantee—because of the heavy taxes imposed on them to pay the guarantee—but the scheme is indefensible on grounds of fairness and equity. If "everybody should receive a guaranteed income as a matter of right"—the words I have just quoted are Mr. Theobald's—who is to pay him that income? The advocates of the guaranteed income gloss over this problem. When they deal with it all, they tell us that the money will be paid by the "government."

This is to talk as if the "Government" were some separate entity that gets its money out of some fourth dimension. The truth is, of course, that the Government has nothing to give to anybody that it doesn't first take from someone else. The whole guaranteed-income