

Second, you can make the allowance taxable, and third, there are various additional tax choices, some of which were proposed by Dr. Brazer, who has a paper in this report of ours but who, I gather, was not able to appear before you.

Representative GRIFFITHS. Yes.

Mrs. BURNS. He has been thinking of some rather ingenious ways of trying to recoup by additional charges on the income of higher income people, and has estimated that you can very substantially cut down the extent to which the rich benefit.

The third objection is that it is going to encourage population growth. All I can say about that is that all the evidence we have indicates that there is no evidence one way or the other. We asked Dr. Whitney, in the report that you have, I think, received, this children's allowance report—Dr. Whitney is a very well-known demographer—to survey the evidence for us as to what was known in other countries, since we do not have this system, about the effect of children's allowances. He came to the conclusion, and I would concur in it because I made some preliminary studies some years ago, that there is no evidence that this does indeed have the population stimulating effect.

Another objection is that parents will not spend the money on their children. Again, I would say that all the evidence, and this was concurred in by the four foreign representatives who were reporting to our conference on the experience in their own countries, all evidence indicates that a very large majority of parents are deeply interested in their children and do not squander allowances and money they get in riotous living of one kind or another rather than spending it on their children.

The other big problem, of course, that you have to face is the problem of costs. Now, on the question of costs, I take it that any of us who are seriously thinking about doing something about poverty have got to accept the fact that costs are going to be extremely large. Everything has to be paid for and we are not going to make any real dent by the income maintenance programs on poverty of every kind, on the problems of poverty, unless we are indeed prepared to contemplate very sizable expenditures, whether that is negative income tax, whether it is any kind of social dividend or demogrant, whether it is something like the children's allowance—it is going to be costly. You will find in this volume we prepared a series of estimates of the different costs of the different programs, but I do not want to take time at the moment from the other members who are testifying. If later, you wish to have some of this information, I can give it to you. All I have to say is that one has to remember, it is very fashionable today to talk about cost-benefit analysis. We can only grasp the real significance of cost by looking at it in terms of the benefit. And you have to make up your mind, how many people do you want to benefit? How many children do you want to bring out of poverty? All the children are going to cost a great deal. A smaller number of children is not going to cost as much. And we have a range of costs depending on the variety of children's allowance plan one selects.

But the real point is we are not going to get anywhere in this business, it is almost, in my way of thinking, social hypocrisy if we say