

pose, manages to survive. How much more difficult it would be to substitute direct money payments for the welfare-poverty power structure.

No, I believe the guaranteed income, negative income tax, or child allowances would be superimposed upon already existing welfare and poverty programs. Interestingly enough, the proposals of Dr. Milton Friedman and Dr. James Tobin prescribe just this: a guaranteed annual income along with an array of welfare and poverty-fighting measures. The trouble with this scheme is that it fails to take into account the human and political realities. To the extent society devoted resources to guarantee income, its commitment to the costly and slow-acting structural correctives would weaken.

Whatever the differences in detail or in justification among the various plans, they are essentially the same in their implications. Each plan is revolutionary because it would break the link between income and work. Each would enshrine in law the concept that society owes every citizen a living regardless of his willingness or ability to work. The lazy and shiftless would benefit as much as the deserving.

We all know individuals who secretly believe that society owes them a living. But, fortunately, society has not yet been willing to concede it. In our culture one generally receives income in relation to his contribution to the production of goods and services. For those unable to work, our public assistance programs have stood as a basic income guarantee, however inadequate. But the guaranteed income scheme omits the test of need and gives income as a matter of right alone. I think the right to public support, to the extent the public is able, exists, but only where the need has been established with reasonable certainty. When the need has not been established, there can be no intelligent program designed to eliminate the reasons for the need.

In my view, the guaranteed income approach would create deep social divisions in society; it would tend to perpetuate poverty and might even worsen it by its impact on economic growth; and it would create a host of administrative problems whose solution would require greater social control of the individual. Furthermore, it would require a new and radically different federal constitution which should be of concern even to academic political scientists.

To treat abnormalities, one must first be able to understand normality. Today in America we are beginning to look at a person's full life—his tender years, his years of education, his productive years and his years of retirement. We have been developing the mechanisms and the programs for spreading a person's lifetime income from his productive and earning years to the non-productive years. The first mechanisms developed were in the nature of savings from the productive years to provide for retirement pensions, annuities and retirement systems. At the same time, we were developing the mechanisms whereby people could pool their common risks against an untimely diminution of earning capacity from (a) death, (b) disability through accident or sickness, (c) interrupted earnings resulting from e.g. military service and economic downturn, (d) and now obsolescence of skills. So since World War II we have been developing the mechanisms to spread income forward in anticipation of earnings from the more productive years to the less productive years through consumer credit to buy homes, consumer durables and now wisely to provide the capital investment for education. A great deal of today's consumer credit constitutes real savings inasmuch as the expenditures do relate to increased wealth and increased earning capacity, not to mention increased standard of living of the debtor. It is indicative of this understanding of lifetime income that income averaging techniques, crude as they are, were introduced into the federal personal income tax laws in 1964.

The emphasis needed for further development lies in phasing-in individuals and phasing them out of the labor market. One does not abruptly—or should not abruptly—enter the labor market or retire from it. The better retirement systems we are developing permit a phasing-out utilizing in different ways the talent perfected by experience of the older citizens. The better educational systems use a variety of phasing-in mechanisms.

Above all we are beginning to understand that people are not committed full time in the labor market. The eight hour day and the forty hour week attest this. Hopefully we will begin to move more broadly into the eleven month year and possibly to the concept of the fallow seventh year—the sabbatical leave. However, the women in our society are increasingly developing work patterns of great interest, entering the labor market prenuptially only to retire for the period of raising children, and then to reenter later on a planned part-time basis which frequently develops into full time employment again.