

possess constitutes the skills of the people and the accumulated knowledge with its ready availability within the society. Our tax laws, for example, do not treat employer or personal expenditures for education and training as capital expenditures—which I believe should receive specific tax treatment.

It also means that we must avoid inflation. The constant erosion of the purchasing power of the dollar since the end of World War II has pushed millions of individuals living on fixed incomes below the poverty level and made life even more difficult for those already impoverished. Because of inflation, the purchasing power of social security benefits, even after several increases, has barely kept pace with the rising cost of living.

The federal government must bear particular responsibility for this damage caused by inflation. Every since the Employment Act of 1946, we have been trying to maintain employment largely by relying on the spending of government. The result has been more or less chronic inflation and a steady erosion of the dollar's purchasing power. In the last few years, the irresponsible spending levels maintained by the Johnson administration have speeded this inflationary decay—spreading poverty rather than prosperity, especially among the Nation's lower income groups. In fact, the recent passage of the tax surcharge clearly reflected the failure of the Administration's excessive fiscal policy. Inflation must be halted, and a change to responsible government spending levels must be the first step.

Finally, general economic policy can make a contribution to the elimination of poverty by promoting occupational and geographical mobility. In an age of rapid technological change and adjustment it is important that government and private business policies help to promote the maximum of flexible response to changing conditions among our labor force.

There is another precondition to the success of specific and selective anti-poverty measures. That is, the abolition of all unjustifiable discrimination in employment and education based upon race, creed, age, sex, physical handicaps, or whatever. In the opinion of many, we have made great strides toward this goal. However, in the opinion of others, we may have gone backwards by failing to distinguish between discrimination based upon real differences which properly require differential economic treatment, and discrimination based upon unreasoned prejudice. Whatever the present movement may be, a sizeable amount of unjustifiable discrimination exists as a structural barrier . . . discrimination as a barrier to equal opportunities for all of our citizens.

It would be very helpful in this connection if labor unions, particularly those which use the sanction of government to bind minorities through union shop provisions, open their doors to equal membership opportunities to all persons, particularly to members of minority groups. In many places and in many jobs, union membership is a condition of apprenticeship or employment from a practical if not a legal standpoint. Where this is true, business efforts to find job opportunities for minority Americans can be successful only to the extent that labor unions, with the cooperation of management, not its behind scenes condonation or encouragement which frequently exists, abolish discriminatory practices in their own membership and training programs. Today the values which occur from passing skills from father to son as it were must be realized within a structure which does not exclude others from learning and following these occupations.

Aside from these general considerations, our specific policies to combat poverty must emphasize alleviation, rehabilitation, and prevention.

Alleviating poverty means that every person in need, which means a person facing a basic economic problem the solution of which is beyond his own or his family's capabilities, should have relief from the community as a whole—to the extent it can afford it. I emphasize the requirements of need. This is what divides me from those who advocate a guaranteed income given to all as a matter of right. I see nothing intrinsically wrong with the requirement of tests to determine need. Whether a means test is acceptable or not is usually a question of how it is administratively determined. The means test obviously should be given so that it infringes upon the rights and dignity of the individual receiving the assistance in the most minimal way. And I have already indicated that technical problems connected with the guaranteed annual income would require the government to find out a great deal about the individual in order to insure that the intent of the guaranteed income law is carried out in practice.

One of the shortcomings of our present public assistance programs is that benefits are unrelated to specific needs and so are frequently too low to meet