

owned cooperative credit associations and banks for farmer cooperatives, established in the 1930s with initial government capital and assistance in management and channels of borrowing from the commercial money market, might well be applied to helping disadvantaged people to help themselves.

We are now in a situation where society must find ways to employ some people in other than profit-making enterprises, because the profit-making side of our industrial complex has not always absorbed the entire labor pool. The decreasing demand for unskilled labor further complicates the problem. We have to face the fact that we are moving into an era where for various reasons including the effects of automation on the unskilled labor market, there may not be jobs available for all who want to work, and that there may be more and more unemployed. We should recognize also that there may be many contributions that can be made in addition to earning money in a productive enterprise. Caring for children and the ill, creative efforts in the field of music and the arts, and many social services, are examples.

3. *Sufficient Income to provide minimum acceptable standards for those unable to work, or unable to find work.*—The third responsibility is to those who are unable to work. These include those too young, too old, or those who should take care of their children instead of seeking outside employment, or who are ill. It also includes those looking for work and unable to find it, or deprived of work by circumstances beyond their control, or whose work provides less than a minimum standard for a decent living. Demand for goods and services resulting from full purchasing power in the hands of every family in the United States would help create far-reaching prosperity in our entire economy. It would benefit Agriculture, Industry and Commerce. It would move us in the direction of using more of our capacity to grow food, and to provide better nutrition for our people, and thus lessen the reliance upon restrictive agricultural policies.

NEED FOR AN IMPROVED SYSTEM OF INCOME SUPPLEMENTS

Wealth in the modern world largely has to be created by the application of hand and brain. So we believe that everyone has an obligation to contribute as effectively as he can to the general welfare where possible, so that society as a whole can discharge its responsibility to put a floor under income for every family unit in the United States. We should recognize as a human right the claim upon society for that which a person needs in order to contribute to the social good, and to live at his best as a person.

We believe that a system of assuring income is necessary, morally right and economically feasible. Widely discussed proposals for providing income supplements include the negative income tax, direct family and children's allowances, and improved welfare programs with adequate standards of assistance. Among the various alternatives the negative income tax would seem to be the most feasible. For administration of such a program, one possibility would be the Internal Revenue Service in conjunction with the Social Security Administration.

CRITERIA FOR AN EFFECTIVE PROGRAM

A program of income supplements should meet the following criteria:

- (1) It should be available as a matter of right.
- (2) It should be adequate to maintain health and human decency.
- (3) It should be designed so as to reflect changes in the cost of living.
- (4) Periodic redetermination of payments should be based primarily on the individual's certification of income, rather than upon cumbersome, degrading and costly investigative procedures.
- (5) It should be developed in a manner that will respect the freedom of persons to manage their own affairs, increase their power to choose their own careers, and to enable them to participate in meeting personal and community needs.
- (6) It should provide greater incentives for recipients to do whatever they can to support themselves; to maintain the integrity of the family instead of furnishing grounds for the father to leave so his children can get aid to dependent children; and to encourage family planning.
- (7) It should be geared to family size.
- (8) It should be designed to afford incentive to socially useful activity.
- (9) It should be designed in such a way that existing socially desirable programs are conserved and enhanced, but should replace as many existing "welfare" programs as possible.