

Foreign Policy and the G O P

The professionals within the Republican Party are trying hard to minimize ideological conflict among the various GOP factions, and who can blame them? They smell victory in 1968 and they recognize that the election cannot be won by a party that is sharply split along ideological lines. So they are trying to smother behind a slogan of "party unity" all differences that smack of strong intellectual conviction.

But it is already clear that in one area of policy the differences among Republicans are not going to be resolved by ignoring them. On questions of foreign policy, the party is deeply divided between two conflicting schools of thought, and the longer this division goes unremarked and undiscussed, the greater the likelihood that it will create a major emotional explosion at the 1968 presidential convention.

TWO SCHOOLS OF THOUGHT The first school of thought is that of the Doctrinaires, who seek to find a few simple principles from which all foreign policy may be deduced. At the moment they are operating on the following set of abstractions: 1) Communism is our enemy; 2) Communism is everywhere; 3) all our activities should be guided by the need to oppose whatever looks like Communism. An odd assortment of men — realists, logicians and know-nothings — have united behind this view.

The know-nothings, at the extreme right of the Republican Party and beyond, are ignorant of the world and are happy to concentrate their passions on a simple monomaniac obsession. They find sophisticated spokesmen among certain European scholars and others addicted to unempirical logical traditions. These logicians are intellectually unable to face concrete situations without first defining abstractly what it is that they are going to see. They are unable, in other words, to learn from experience.

Yet among the Doctrinaires there are also realists, who subscribe to the three principles only because the history of the past twenty years has tended to confirm them. These men are not incapable of learning from experience; their problem is that the simple lessons of the cold war — with its emphasis on military containment of monolithic communism — are becoming obsolete. The cold war is changing, but many minds have not yet begun to thaw.

The second school of thought is made up of the Problem-solvers. These are tentative, pragmatic men who take their problems one by one and are skeptical of philosophies that purport to give all the answers. They are most useful when history is moving quickly and flexible responses are required. If they are now about to have their day in foreign policy debate, it is because the institutional solutions of the past twenty

years are in need of appraisal. NATO, the UN, East-West relations, the structure of international finance and world trade, the administrative machinery of American diplomacy, intelligence and foreign aid — these are some of the problems that must be dealt with, and their existence means that the Problem-solvers must supplant the Doctrinaires as national spokesmen for the Republican Party on matters of foreign policy.

PRY LOOSE THE REALISTS But these two schools of thought are not irreconcilable. Though there is now an urgent need for problem-solving in United States foreign policy, there is an ongoing need for doctrine. In a mass democracy the aims of foreign policy must be boiled down to simple formulas that can be acted on by thousands of civil servants and understood by the millions of citizens who stand behind them. The trick is to find formulas that gibe with reality.

For the Republican Party this means prying loose the cold war realists from an alliance with the know-nothings and logicians at the extreme fringes of the party. Realists who can distill doctrine from concrete experience must be encouraged to confront changing international conditions and to draw new lessons from them. Only in this way can they complement the skills of the problem solvers and provide the Republican Party with a responsible coherent program in foreign affairs.

There are already signs that a rebirth of Republican thinking on foreign policy is about to occur. The two major presidential candidates — Romney and Nixon — plan books on foreign affairs. The Senate Republican Policy Committee has begun research into the Vietnam question. The Republican National Coordinating Committee last month hired a research specialist — its only one — on foreign affairs. Most importantly, a number of Senators and Congressmen have begun to prepare themselves for debate on specific issues. The U.S.-Soviet Consular Treaty was the first of these;* the Javits-Morton resolution on Europe, the East-West trade bill, the treaty on the peaceful uses of outer space, and other topics will soon follow.

POLITICAL NADIR But the Republican Party, as an organized Party, still has much to live down in its treatment of foreign policy. It reached a nadir of political irresponsibility last September, when the House Republican Conference issued a pre-election statement calling President Johnson "personally responsible" for the war in Vietnam. It was clear in September (turn to page nine)

*A special Ripon Research Memo on the passage of the U.S.-Soviet Consular Treaty is being distributed with this issue of the FORUM to all \$10 subscribers and Ripon chapter members. It will not be made publicly available.

CONNECTICUT: Rightists Take Over YR's

Well-organized and efficient right wing forces captured the Connecticut Young Republican Convention held on March 18 in Hartford. The real credit for their victory, however, goes to the disorganized and complacent moderates. Expecting no real opposition, some moderate clubs did not even send full delegations to the Convention. New Haven, for instance, although entitled to thirteen votes, had only seven delegates. The members of the moderate slate made little attempt to campaign and instead spent their last hours before the Convention socializing. Lacking a campaign managed to delay selection of officers for over three hours blitzkrieg.

The tactic employed by the right-wing backers of the new Chairman, Dwight Mayer of Wilton, was the familiar one of 'come early and vote late.' They man-

aged to delay selection of officers for over three hours while the moderate votes dwindled away. An honorary dinner scheduled elsewhere that night for Congressman Tom Meskill caused depletion of moderate ranks. Many left to avoid being charged by the host hotel for another day. Mothers retreated in fear of reprisals from waiting babysitters. Thus, although the moderates managed to win the early test votes, by the time the election of officers was on the floor, their ranks were so thinned that victory was gone. By contrast, the winning faction was persistent and thorough. One of their number, who had passed out from excessive consumption of alcohol, was revived and kept propped in his chair. He couldn't call out his vote but was counted nevertheless as a "warm body."

—C.W.R.

KANSAS: Romney and the Moderates

George Romney's appearance in Kansas City, Kansas, on February 27 was well covered by area newspapers and television and received front page news and feature coverage in both Kansas City and Topeka papers. The address itself (for the purpose of fund raising for Johnson County Republicans) was on a familiar theme — the horrors of inflation and the danger of further Federal meddling and coercion — but, from all reports, the Governor's speaking style is improving.

Romney's appearance came on the heels of his "triumphant" tour of the Far West, and he breathed renewed confidence about his "courtship" of the Presi-

dential nomination. He also expressed gratification at the news he had been hearing of support for him in Kansas. He might well be enthused, since there is widespread interest in him not only among rank and file Republicans but among several important party leaders as well.

Romney's biggest boost in state Republican circles came at the end of January Kansas Day meetings of the party in Topeka. On this occasion several state leaders met to discuss Romney's candidacy, and the general consensus was that at this time he offers the best hope of the party for victory in 1968. Among those present at this meeting were Alf Landon, GOP Presidential nominee in 1936 and still a tower of respect (if not power) within state party circles; William Avery, former moderate Governor, who was defeated in the fall by a conservative Democrat; and William Ferguson, former state Attorney General, generally conservative and an early Goldwater supporter a few years back.

Ferguson was not the only erstwhile Goldwater man at the meeting, and his presence (and that of the others) is highly significant. The Kansas delegation in 1964 was strongly for Goldwater and any shift to the left by former Goldwater supporters is to be watched closely. Private polls have already shown a strong interest in Romney (or other moderates) among county chairmen. There is no official Romney organization going in the state at the moment, but one is ready to spring into action when the word is given. In the meantime, an interest in a more moderate candidate and party is certainly on the increase in the state as a whole.

—J. T. Moore

BOOKSHELF: Southern Voting

Five States for Goldwater: Continuity and Change in Southern Presidential Voting Patterns, by Bernard Cosman, University of Alabama Press, 146 pp., \$3.95.

Professor Cosman's statistical dissection of the 1964 Goldwater showing in the South reveals a dramatic discontinuity from previous Southern Presidential voting patterns. As has already been documented by Cosman's University of Alabama colleague, Dr. Donald S. Strong, in *Urban Republicanism*, Republican strength during the 1950's grew most heavily in the more affluent, urbanized areas of the South. Yet, in 1964 Republican strength waned in the major urban centers of the South and in the traditionally Republican areas of Southern Appalachia and fell off drastically among Negroes throughout the South. At the same time, rural whites flocked to the Republican presidential nominee in unprecedented numbers.

While running more weakly than Eisenhower or Nixon in the cities of the non-Deep South, Goldwater did run well ahead of previous Republican showings in a number of Deep South cities which have been bastions of white resistance to Negro gains. Here, the Republican standard bearer's stance on racial issues enabled him to cut severely across class lines. In Birmingham, for example Goldwater did best among low-income whites who gave him 85 per cent support. Cosman points out a very high correlation between the areas of Goldwater's Southern strength and the areas which have given strong support to third party Dixiecrat candidates. Thus, the incipient Wallace presidential candidacy may well wipe out the evanescent Republican gains of 1964 in the Deep South.

—J.C.T., Jr.

LETTER: 'Crazy Professor'

Gentlemen:

In the very provocative article on the Rights of the Mentally Ill in the February 1967 FORUM, Messrs. Petri and Smith omitted one of the classic cases of the political use of the commitment process.

In 1958, a Negro professor named Clennon King attempted to enter the University of Mississippi summer session and was committed to an asylum. The explanation of the Governor of Mississippi was, "Any nigger who tries to enter Ole Miss must be crazy."

The Governor's name was (and is) James P. Coleman, who in 1965 was appointed by President Johnson to the Fifth Circuit Court of Appeals. One of his character witnesses before the Senate Judiciary Committee was Senator Robert F. Kennedy.

ROBERT M. WOMACK
Fresno, California

THE NEGATIVE INCOME TAX

A Ripon Research Paper
THE RIPON FORUM
APRIL, 1967

© Copyright 1967 by
The Ripon Society, Inc.

A Republican Proposal to Help the Poor

Poverty means insecurity and dependence. The insecurity of never knowing where the next dollar will come from discourages poor people from seeking new opportunities. The dependence on welfare administrators saps them of the initiative to make their own decisions. The Republican Party believes that the poor man ceases being poor only when he is willing and able to make his own way in the economy, when he takes control of his life. To conquer poverty we must break down the barriers to free participation in the economic life of our Nation. This means providing an adequate education for everyone; it means eliminating discrimination in hiring and housing; it means above all reducing the insecurity and dependence of the poor.

We must find a way to supplement and stabilize low incomes without interfering with the natural freedom and incentives of the market. This can be done if the Republican Party stands by its traditional economic realism and fights for an attack on dependence and insecurity. Ripon urges it to commit itself to a Negative Income Tax and to make this commitment the cornerstone of an effective alternative to the mismanaged, miscellaneous and ineffectual War on Poverty that has been put forth by the Johnson Administration.

The Ripon Society proposes that the United States increase incentives and opportunities for economic advancement through the adoption of a Negative Income Tax system.

I. What is Negative Income Tax?

A simple formula (so much per adult, so much per child) determines a "standard" income for every family. The family receives a fixed percentage, called the tax rate, of the difference between its earned income and the standard. These income transfers come in payments, called the Negative Income Tax, which decreases gradually as income increases. All families with incomes below the standard — not just those that are unemployed — receive Negative Income Tax payments.

For example, suppose the standard income for a family of four is \$5,500, and the tax rate is 50%. If the family earns nothing, it gets \$2,750 (50% of \$5,500). If it earns \$1,000, it gets \$2,250 from the Negative Income Tax, and has a total income of \$3,250, \$500 more than before. The Negative Income Tax encourages families to move up the income scale until they can begin to pay positive taxes. In 1966 both the national Commission on Technology, Automation and Economic Progress and the Advisory Commission on Public Welfare endorsed similar proposals, as did the National Crime Commission in February, 1967. Yet President Johnson has delayed even a research report on the proposal until 1969.

The Negative Income Tax is not a new concept; already almost 60 countries have a similar program known as the family allowance. The Negative Income Tax has gained the support of many of the nation's most respected economists, both Republican and Democratic. Henry Wallich, a member of President Eisenhower's Council of Economic Advisors, supports the idea. One of its first proponents was University of Chicago economist Milton Friedman, Barry Goldwater's chief economic advisor during the 1964 presidential campaign, who proposed in 1962 the replacement of many welfare-state programs by the Negative Income Tax.¹ Yale economist James Tobin, a recent member of the Council of Economic Advisors, has written extensively advocating the idea. Harvard's Daniel Moynihan and Dr. Martin Luther King have suggested variations of the plan.

The Negative Income Tax emphasizes individual incentives to find and create jobs, and the natural efficiency of free markets in eliminating poverty. The Negative Income Tax embodies Republican concern for human dignity, civil rights, and individual free economic

enterprise. After careful study, the Ripon Society concludes that the Negative Income Tax is the fairest and most efficient way to accelerate the natural processes through which the American economy eliminates poverty.

The United States can institute a Negative Income Tax system providing significant improvement in both incentives and living standards at a cost of ten to twelve billion dollars a year. This represents the natural increase in tax revenues from two years' growth of our economy. This program, which will be given in detail later in this paper, can be introduced gradually over five years, the cost rising about \$2 billion each year, with no increase in positive tax rates.

II. Advantages Over Present Programs

Present welfare systems, because of their effects on incentives, freedom, equality and the efficiency of the economy, perpetuate poverty. The Negative Income Tax will change the economic environment of the poor in ways that encourage poor people to help themselves. It will create incentives to find work; it will end the debilitating dependence on bureaucratic administrators of present programs; and it will eliminate the use of poverty money for political ends. Most importantly, it will reach many of our poorest citizens who are not being helped by the inefficient and inadequate programs now in existence. In all these ways the Negative Income Tax is superior to present welfare and poverty programs.

1. INCENTIVES

Current welfare programs actually discourage recipients from seeking employment. A recipient of welfare at the present time cannot increase his total income by increasing his earned income. If a member of a family receiving \$3,000 a year in welfare earns \$1,000 the next year, welfare payments drop by exactly \$1,000, leaving total income unchanged. For these people the welfare system breaks the link between extra effort and extra income. They have no financial incentive to find or train for a job.

A recent account of the problems of a family on welfare illustrates this. Mrs. Pressley lives in Harlem with six children.

"That's one reason why I went to work," Mrs. Pressley explained, "so I could have a little more money for my family. It's not much more, though, and it doesn't go very far when you add up the car fare and cleaning bills and such."

Before she went to work in July as a part time neighborhood aide for the Urban League's Open City program that promotes housing desegregation, Mrs. Pressley had received \$184 twice a month from the Welfare Department. The Department now deducts her weekly salary (\$30) from the welfare allowance but adds employment expenses (carfare, lunch, clothes, cleaning bills, etc.) so that her combined income now comes to \$203 twice a month. . .

Mrs. Pressley said that in the past, when she tried to work while on welfare, things did not go smoothly.

"Once, I was working, and I told the investigator not to call the employer and that I would show him my pay receipt as proof. He called my boss to check and I was fired the same day — many people don't want clients working for them."

Mrs. Pressley has the will to work, but it is clear that she is not benefiting from it financially. (when she discovers this, she may stop working). It is also clear that the whole atmosphere of welfare administration discourages employment. Under the Negative Income Tax, everyone, no matter how small his earned income, can keep something extra if he earns something extra.

Families are encouraged to move up the income scale and out of poverty.

2. FREEDOM

The Negative Income Tax will also work a radical and constructive revolution in the attitudes of the poor towards their own life.

The philosophy of paternalism pervading our welfare system does little to develop the confidence of the poor in their own ability to direct their lives. The recipient of public assistance suffers a far greater degree of public control over his everyday affairs than the rest of us: he is deprived of important economic and political freedom.

Often, the welfare recipient feels that he is forced to accept the advice of his caseworker. Professor William A. Klein notes that

"welfare departments have very broad discretion in awarding aid and in varying the amount to meet special needs; . . . to many recipients the caseworker may be the embodiment of power and authority; and . . . caseworkers are likely to be convinced that the services offered are ones that are badly needed. In addition, the welfare recipient's failure to accept services might induce the caseworker to invoke, or threaten to invoke, certain statutory provisions that the recipient would probably find highly objectionable."

This policing of a welfare client's life extends to practices that are not worthy of our nation. Various detective measures to uncover possible welfare fraud have seriously infringed upon the privacy of welfare recipients. Midnight raids by caseworkers hoping to find female recipients in bed with boyfriends or husbands are not uncommon. The constitutionality of such practices is open to serious doubt,⁴ but few welfare recipients are able to mount a legal challenge against these degrading practices.

In fact, the social worker meddles in every aspect of a recipient's life, even to the extent of selecting items in a recipient's budget.

One caseworker complains:

"Give us some independence in dealing with the clients. . . We come out of college wanting to help people, but we are policemen. We must check how much money they spend. We have to make sure they pay the rent and don't waste any money on cigarettes or a tube of lipstick.

"Every time a welfare client goes to the bathroom we have to make out a form. We can't be their friends. We represent the oppression of the unfeeling state."

A welfare recipient cannot by his own action control either his income or the way that it is spent and becomes accustomed to letting other people make decisions and take initiative. No wonder so many poor people stop caring and develop attitudes of futility and despair. Under a Negative Income Tax everyone will have the freedom to decide his own priorities and desires in spending his income. The experience of buying freely in a money economy is an important factor in developing the self-reliance and confidence that many poor people lack. The Republican Party has long recognized the role the free market can play in enriching people's lives and efficiently satisfying their needs. Must the poor — just because they are poor — be excluded from this part of American life?

3. EQUALITY

The present system puts the heaviest financial burden on those depressed and underdeveloped areas of the country which are least able to afford them. The result is inequitable difference in state programs and standards. For example, even programs financed largely by federal funds such as Aid to the Families of Dependent Children (AFDC) are applied in quite contrasting manners by various state authorities.⁵ This variance in standards is an incentive for economically senseless migration to take advantage of more generous programs. Residency requirements instituted to prevent this "welfare shopping" are equally senseless barriers to mobility of the labor force and serve to keep aid away from newly arrived immigrants just when they need it most.

While certain of the wealthier states of the North still possess substantial poverty pockets in their urban ghettos, the greatest concentration of poverty in Ameri-

ca is found in the South, the Border States, and the Great Plain States.

Economic progress in such regions of our nation is virtually impossible today because the inhabitants lack the purchasing power to support an economic expansion. Past poverty and associated low skill levels combine to discourage new industry from locating in these areas. While Negative Income Tax payments will do little immediately to raise skill levels in a poverty area, they will generate considerable purchasing power. In such areas as Harlan County, Kentucky, the added income which will flow from a Negative Income Tax will provide a basis for business vitality and create additional jobs. Sales and service jobs as well as jobs in light manufacturing will open up once a local market exists to support them.

4. WELFARE POLITICS

In the northern ghetto where welfare has become a way of life, entrenched political machines perpetuate their existence with the implied threat of withholding the essential welfare check. Such political intimidation is a disturbing feature of present public assistance programs. This has happened frequently in Chicago where the Cook County organization of Democratic Mayor Richard Daley holds sway.

The threat of welfare withdrawal was a significant factor in two widely publicized campaigns in 1966 in the overwhelmingly Negro First Congressional District in South Side Chicago. The New Breed Committee, a bipartisan group of young South Side Negro reformers, mounted a serious attempt to defeat veteran Congressman William Dawson, long regarded as the Daley organization's major spokesman in the Negro community. Fred Hubbard, a social worker backed by the New Breed Committee, unsuccessfully challenged Dawson in the Democratic primary. After Hubbard's defeat, David Reed, a New Breed Committee member who had received the Republican Congressional nomination, mounted a campaign with the all-out support of the young insurgents who had backed Hubbard in the Democratic primary.

Several Reed campaign strategists and organizers whom we have interviewed stressed the political potency of the threat of welfare withdrawal. Welfare recipients were exceedingly reluctant to serve as poll-watchers or otherwise publicly identify themselves with anti-organization candidates for fear that they would lose their welfare. The mere fact that a welfare recipient feels vulnerable to the withdrawal of his benefits often suffices to keep him politically passive.

Abuses and intimidation are not practiced solely in the ghetto; in many areas of the South, Negroes have been denied benefits for which they are clearly eligible. Often unaware of their rights and lacking access to legal assistance, the unsuccessful applicant can do little to resist this discrimination. The NAACP Legal Defense and Educational Fund has documented some of the glaring injustices:

In Grady County, Georgia, three Negro mothers, all with young children and no means of support, reported that the Welfare Department had refused in early July of 1966 even to consider their applications for Aid to the Families of Dependent Children. All were told that "seasonal employment was available in the fields until October and that no applications would be accepted until the fall."

Another mother who had been receiving assistance since the preceding October had her benefits terminated in May. She was told that "full-time seasonal work" was available. Further, her 12-year-old twins "should work in the fields until October" when benefits might again be granted.

In Grady County, only Negro women and their children are required to work in the fields during the growing season and denied benefits from May to October. Field work is not considered "suitable" for white women and children receiving benefits under Aid to Families of Dependent Children.⁶

Southern poverty, however, is by no means confined to Negroes. Since the Civil War, severe poverty has characterized the large mass of the southern population, Negro and white, and has aggravated racial animosities. Uneducated poor whites have regarded the freed Negro as a threat to their already meager economic circum-

stances. Yet in every state except Louisiana, Mississippi, and South Carolina there are more white than Negro families (in absolute numbers, not percentages) with annual income under \$2,000.

The Negative Income Tax, nationally and impartially administered, will not be a tool in the hands of machine politicians or white supremacists. It will meet the needs of poor people of all races, in every part of our country.

5. EFFICIENCY The United States has committed itself to spend substantial sums to raise the living standards of the poor. Agricultural price maintenance, public housing, and the War on Poverty represent only a few of the major programs in this area. We can either establish government bureaucracies to spend this money, or give it directly to the poor, letting each family allocate its share to shelter, clothing, food, or education according to its own needs and wants. The Ripon Society believes, in the Republican tradition, that individuals can usually make more efficient economic decisions than any government agency. If a family renovates its home, it will try to get the best work for the lowest price simply as a matter of self-interest. A government agency building a housing project cannot achieve the same standards of personal ir action except at enormous cost.

Our present welfare system is itself riddled with paper work and consumes great amounts of valuable time in making decisions that would be automatic under a Negative Income Tax. Instead of counselling the poor, welfare workers have to police their conduct and scrutinize their assets.

Testified a woman case-worker from Harlem: "The woman asked me for three sheets. I had to visit the home and inspect the bed, determine how many used the bed. Were they really torn? If I gave out sheets six months ago, why were they needed today? Go over the records and make sure the sheets didn't exceed the family clothing limit. Wouldn't two sheets be enough? Before I got the sheets I had dealt with the unit supervisor, the case supervisor, and the senior case supervisor."

The Negative Income Tax is a self-liquidating program. As the number of low-income families decrease, the payments automatically diminish, and there is no bureaucracy to look for new excuses to keep up the appropriations. The time of case workers and supervisors represents a valuable social resource which is presently being wasted in policing and paperwork. Freed from the responsibilities of handing out money, social workers could provide counselling services much needed by all parts of the society.

6. ADEQUACY Even if the present welfare system were to correct its deficiencies on the above points, one overriding fault would remain: present programs do not make payments to many of our poorest citizens. The payments we do make are often so inadequate that they create only despair among the recipients. As the Report of the Advisory Council on Public Welfare noted:

Only a fifth of the poor (7.5 million out of 34.1 million) are now being helped by federally-aided State public assistance programs. Furthermore, they are receiving payment far below the nationally determined poverty figure of \$3,000 for a family of four, or \$1,500 for an adult living alone.

The national median payment, including vendor payments, for medical care, for an Old Age Assistance recipient was \$77.55 a month, or \$930.60 a year; for a needy child, \$35.45 a month, or \$425.40 a year; or for a family of four, \$141.80 or \$1,701.60 a year.

The national average provides little more than half the amount admittedly required by a family for subsistence; in some low-income states, it is less than a quarter of that amount. The low public assistance payments contribute to the perpetuation of poverty and deprivation that extends into future generations.

Most public assistance recipients are too old, blind, chronically ill, or severely disabled, or are mothers of small children, or are children too young to add substantially to their assistance payments even if this were allowed without deduction by state standards.

Even a small rise in income from bare subsistence improves the morale of the poor, releases enor-

mous energies toward self-improvement and increases the chances that their children will break out of the poverty cycle. Under the Negative Income Tax every penny spent will go to the poor directly. We expect that this modest increase in standards of living together with the incentives described above will lead to much greater participation of the poor in the economic life of the country.

A large number of people not presently receiving public assistance payments will obtain benefits under the Negative Income Tax plan. Yet, only the most obtuse Social Darwinian could argue that hunger and privation do much to make the indigent a more productive part of society. When people sit in the despair of our poverty pockets, whipped by the lash of hunger, living in rat-infested tenements, newspaper shanties, and seeing their children without shoes, the erosion of their morale does far more to sap their incentive to work than would the receipt of governmental assistance. Any program to encourage individual initiative must recognize that a certain minimal level of security is necessary for anyone to become a productive part of society — to acquire the skills or take the chances which enable him to become an economic and social asset. Present programs are inadequate in combatting poverty because they fail to provide security to all those who need it. The Negative Income Tax has the great merit of providing the element of stability that is essential if the poor are to participate in the economic life of the country.

III. Answers For The Critics

1. "Won't a man working full-time for \$3,500 a year resent someone else who is getting \$2,000 for doing nothing?"

Since the Negative Income Tax applies to everyone whose income falls below the standard, the \$3,500 man will himself be getting some payment. If the hypothetical worker with the \$3,500 really covets the status of his neighbor, he has the option of quitting his job; but he must accept a lower income, and consequently a lower standard of living. The incidence of resentment will actually be reduced by a Negative Income Tax. Today, because of administrative, regional, and racial inequalities, identical families receive unequal benefits.

2. "Won't many people just stop working?"

The question is suggested by the operation of present welfare programs, which provide no incentive to work. People work for the things they can buy with extra income.

As we have seen, the Negative Income Tax reinforces this positive incentive to work by enabling people to receive the fruits of their labor. We must realistically note that the choice for the poor is not always between honest work and starvation — crime offers an opportunity for an adequate income. The Negative Income Tax will provide many of these people with the margin they need to resist the temptation of a life of crime.

Certainly, a few people will choose not to work even at the very low standards of living provided by the Negative Income Tax (\$750 a year for a single person according to the plan suggested below). But many citizens in fact can use this opportunity in ways that will benefit themselves and society: artists, writers and students would be given a chance to have their time to themselves if they were willing to accept very low incomes. In any case, we can always influence the number of people who will choose leisure by altering the tax rate.

3. "If we pay some people for not working at all, two very different ways of life will grow up in America, leading to class conflict."

This is a better description of the present situation than of the Negative Income Tax. The poor family in America has no hope of controlling its future. If it is on welfare, its income and expenditures are completely controlled by government administrators. If it is scratching out a living from day to day, it lives in great uncertainty and insecurity which discourages any plans for the future or for a better life for its children. The result is a growing separation of the affluent middle class from the poor not only in income, but especially in attitudes toward life. The poor cannot hope for the security and regularity of life which the middle classes cherish. Furthermore, the step from no income to adequate income becomes larger all the time, and this barrier

is heightened by minimum wage laws and the disincentive features of welfare means tests. The child who grows up without adequate food, clothing, shelter, or books is already handicapped in his attempt to become a productive member of society.

The Negative Income Tax will alleviate the insecurity of the poor and allow people to plan ahead. It provides a smooth transition from not working to working, from poverty to affluence. The Ripon Society believes that, by extending these features of the middle class environment to the lives of the poor the Negative Income Tax will knit the society closer.

Those who have experienced middle class ways of life and rejected them are most likely to be the "drop outs" under this plan. For these people, the problem is not to provide incentives by threatening them with starvation, since they are often well able to earn good incomes, but to interest them again in the society.

4. "We already have too many enormous Federal programs interfering in the economy. We need more freedom from Federal control, not an extension of it."

The Negative Income Tax will shift decisions from the Federal government to individuals. By freeing local resources now devoted to economically burdensome welfare programs, the Negative Income Tax will enable the cities and states to devote their energies to education, the improvement of the environment, and the curtailment of crime, all predominantly local responsibilities which are being poorly met at the moment.

The use of objective criteria that is central to the Negative Income Tax system should insure against an accretion of power in the hands of federal bureaucrats. In fact, local initiative in devising structural approaches to reduce the incidence of poverty may be strengthened by the adoption of a Negative Income Tax system. Under the grant-in-aid approach which dominates much of the public assistance area today, state and local governments often have little room for policy initiative. Instead they find themselves forced to tailor their welfare policies to maximize the matching federal grants.

The Negative Income Tax system would not pressure state and local governments to follow any single path in providing for the welfare of their citizens. Assured that their citizens would have at least a subsistence level income, these governments would have more room for initiative and experiment in providing services which encourage their indigent citizens to become more constructive members of society.

The criticism of over-centralization is actually more valid for proposed alternatives to the Negative Income Tax. For instance, the suggestion that the government become the employer of last resort would shift control of enormous resources into the public sector increasing even further the sphere of federal decision making in the economy.

5. "Won't the money be spent on liquor, drugs and fancy clothes?"

Most of it will go into housing improvements, into schoolbooks and home study space, into privacy and food and shoes. This is the way most people of all incomes spend their money. As with the earned incomes of the middle class, some of this money will be used for drugs and liquor and will reduce pressures on addicts and alcoholics to support their habits through crime. If making several hundred drug addicts more comfortable is the price of giving shoes to millions of schoolchildren, why not pay it?

6. "Isn't it 'wrong' to pay people for not working?"

The deepest-felt objection to the adoption of a Negative Income Tax plan or any proposal for insuring a minimum floor under all family income is essentially an emotional one. The idea of "paying someone for doing nothing" runs against the Puritan Ethic. In fact, the notion of "the undeserving poor" leads many Americans to associate poverty with shiftlessness, laziness, and other character debilities. A somewhat more sophisticated version of this attitude recognizes that poor children are not to be blamed for their plight but regards their parents as undeserving of sympathy. Consequently many will advocate large expenditures to educate the children of the poor but will oppose suggestions that these families be given some form of income supplement.

This view ignores the fact that poverty in America is to a large extent an inherited malady. The poor

adults of today, more often than not, were the children of the poor of a generation ago. Growing up in an environment which discouraged personal advancement, most of our poor either left school early or merely went through the motions while attending school. Lacking necessary job skills, they have become accustomed to failure. Their despair in finding satisfactory employment has been compounded by the frustration born of economic deprivation.

The effects of this despair upon the family life of our poor have been devastating. Daniel Moynihan has documented the critical deterioration of the Negro family in his controversial report, *The Negro Family: The Case for National Action*.¹⁶ The family instability among the urban Negro poor has seriously complicated our task of providing adequate education and citizenship training in the ghetto. Still the major socializing institution in our society, the family, is the source of most of a child's values. The child who grows up in a broken home in an urban ghetto today is likely to receive little more than a sense of helplessness from his family situation. Though living in a poverty-stricken environment, he is exposed to the blandishments of advertisements urging him to consume. The poor youth in the city, lacking the means to share in the affluent life to which he is exposed, may turn sullen and silent or burst out in anti-social displays of anger and violence.

Society must accept the responsibility of assisting those whose major reason for not finding a job is the accident of their birth and upbringing.

IV. A Workable Plan

The advantages of the Negative Income Tax are best demonstrated in the context of a concrete plan. The one presented below does not purport to meet all administrative, technical or legal problems, but it does provide a framework for implementing the concept.

1. COST

For purposes of discussion we use the following table for computing the standard income allowance:

TABLE I

For each adult	\$1,500
For the first child	1,500
For the second child	1,000
For the third child	600
For the fourth child	400
For other children	0
Limit for any family	\$6,000

These levels represent a reasonable upper limit to the standard income allowance. A family of four, two adults and two children, has a standard income of \$5,500.

Our plan includes a "tax rate" of 50%. This means that the family of four would receive \$2,750 if it had no outside income. A single adult would receive \$750. The incentive to supplement these minimums will be substantial, since a 50% tax rate means a family keeps half of anything it earns. Table 2 indicates the relationship between earnings and total income for a family of four.

TABLE 2

Earned Income	Deficit From "Standard"	Negative Income Tax	Total Income
\$ 0	\$5,500	\$2,750	\$2,750
500	5,000	2,500	3,000
1,000	4,500	2,250	3,250
1,500	4,000	2,000	3,500
2,000	3,500	1,750	3,750
2,500	3,000	1,500	4,000
3,000	2,500	1,250	4,250
3,500	2,000	1,000	4,500
4,000	1,500	750	4,750
4,500	1,000	500	5,000
5,000	500	250	5,250
5,500	0	0	5,500

Total Income for a Family of Four with two children; "Standard Income" Equals \$5,500.

The difference for a family between its present income and the standard is called the "deficit" for that family. In 1965 the sum of these deficits for American families was \$20 billion. This figure includes welfare payments as income. Without welfare the deficit is

\$25 billion. In addition, the Federal Government collected somewhat less than \$1 billion in income taxes from families who will be eligible for Negative Income Tax under our plan.¹¹

From these figures it is easy to calculate the cost of any proposed tax rate. For example, if welfare payments continue at present levels and a 50% tax rate is in effect, the total cost to the Treasury will be \$11 billion (\$10 billion representing 50% of the total deficit plus \$1 billion representing the loss of tax revenues). Of this \$10 billion in direct payments about 80% will go to families with children. If welfare payments are not included as income but are counted as part payment of the Negative Income Tax, the total cost will be \$13.5 billion (half of \$25 billion plus \$1 billion in lost revenue). We expect, of course, that much federally sponsored welfare assistance will be phased out as the Negative Income Tax comes into operation.

2. LEGAL DETAILS

A. DEFINITION OF INCOME.

Certain receipts not counted as income for tax purposes must be included as income in claiming a Negative Tax payment. Scholarships, gifts, transfers between members of a family, alimony, interest on tax-free securities and realized capital gains are the most important items in this category.

Welfare payments which can be continued at the beginning of the Negative Income Tax should not be counted as income for Negative Income Tax purposes, but as partial payment of Negative Income taxes, if they are financed by the Federal government. State welfare payments should not be counted as income, or as partial payment, to avoid discouraging states from providing welfare for special hardship cases. Programs designed by the Federal government to help specifically emotionally and physically disabled persons should also be supplemental to the Negative Income Tax.

B. DEDUCTIONS.

Deductions from income must be severely limited for negative tax recipients. Deductions of business expenses and in fact all employment-related expenses will increase incentives to employment. In the absence of comprehensive medical insurance coverage some allowance is necessary for unusually large medical expenses. (If tuition to college were granted as a deduction, the Negative Income Tax could provide an automatic scholarship for everyone who has the will and ability to go to college. This, of course, would raise the cost substantially.)

C. POSITIVE TAX LIABILITY.

Those eligible for Negative Income Tax payments will not be liable for ordinary income taxes. Under the present exemption and deduction system this will result in a fall in after-tax income if a family's income rises above the standard in some cases. This effect may not be too serious, but a simple way to eliminate it is to increase exemptions and standard deductions in the regular income tax to conform to the standards of the Negative Income Tax and raise lower bracket rates slightly to keep total lower-bracket tax payments constant. This method eliminates the disincentive to move above the standard income and does not change the tax burden on families just above the standard.

D. ELIGIBILITY.

The basic principle of the Negative Income Tax is its universal applicability. Since our Social Security system is designed to maintain adequate income for older citizens, we recommend that persons over 65 be eligible for Negative Income Tax payments only if they are not adequately covered by Social Security. The same reasoning applies to recipients of veterans' pensions and similar governmental transfers.

Otherwise, every American who is either over 18 or the head of a family should be eligible for Negative Income Tax. There will be no incentives for rich families to live apart as a way of increasing total family income since intra-family transfers will be counted as income. It may be desirable to allow families that wish to keep their children dependent to offer to substitute their support for Negative Income Tax until the child reaches 21.

The Negative Income Tax is not intended to supplement the incomes of wealthy people who have substantial assets but low incomes. Eligibility should be denied

to families or individuals who own more than, for example, \$3,000 in liquid assets, or \$10,000 in total assets not counting owner-occupied homes. These limits may also be tied to the standard income formulas. They will prevent the worst cases of abuse of the Negative Income Tax.

F. SIZE OF INCOME.

Certain businessmen with substantial borrowing power sometimes have negative incomes in certain years. To prevent open-ended claims on the Treasury, the minimum reportable income for Negative Income Tax purposes should be zero. The small size of the payments even at zero income will discourage most people from manipulating the timing of their incomes to take advantage of the Negative Tax.

G. INSTALLMENT DEBT.

Installment debt payments cannot be allowed to eat up the negative tax. Legal limits may be set to the percentage of total income a Negative Tax recipient may be forced to pay as interest or principle on debt. This will provide a kind of semi-bankruptcy protection for the recipient.

3. ADMINISTRATION

One of the fundamental simplicities of the Negative Income Tax is the ease with which the program can be administered without establishing an additional welfare bureaucracy. An individual or family which expects its income to fall below the standard in a future period will file for Negative Income Tax payments from the Internal Revenue Service. These payments will be made monthly. At the end of each year, Negative Tax recipients will file returns showing their actual income in the year. Any discrepancy between the actual Negative Tax payments and what a family was entitled to can be made up by a lump sum refund or tax payment or, if the payment is large, by a tax payment spread over several months.

To minimize the variation in tax payments employed, Negative Tax recipients should have tax withheld at the source like other employees. Withholding, together with assistance in filling out forms and modern data-processing, will simplify the administrative problems in adjusting tax payments to income.

4. FRAUD

Relatively well-off people who by some legal device can meet the letter of the requirements may abuse the Negative Tax. The incentive for this is small because the payments are small. The chances of its happening can be reduced by making the definition of "income" for Negative Tax purposes as broad as possible.

Another difficulty will be misreporting of income by poor people to avoid the 50 percent marginal reduction in Negative Tax payments for each dollar they earn. The most effective deterrent against this will be the actual requirement of filing a return, since it takes considerable ingenuity to fake a consistent series of fraudulent tax returns. In exchange for the Negative Tax privilege, people may also be required to provide information on returns, such as reports of purchases of durable goods, which will facilitate detection of fraud by computers. The most important point is that the Negative Income Tax criteria are simple and equitable, while present welfare regulations involve a byzantine code of behavior. The combination of deterrence and respect for a good law will help to reduce fraud to a low level.

5. GRADUAL ENACTMENT

The Negative Income Tax represents a substantial though not revolutionary change in our economic environment. For this reason it is desirable to watch the effects of it develop slowly and to gain experience in the problems it raises one by one. The Negative Income Tax should be introduced gradually by starting with a low tax rate, say 10%, and raising it year by year to the target of 50%. The first year this will cost about \$3 billion (10% of \$20 billion plus \$1 billion in lost revenues) which itself is a modest but important contribution to the welfare of the poor. If, as the tax rate rises, significant bad effects become apparent, the program can be halted or reversed smoothly.

The Ripon Society notes that the Negative Income Tax with a 10% tax rate can be instituted immediately with provision for an automatic rise of 10% in the tax rate each succeeding year. If the end of the war in Vietnam provides an opportunity, we can raise the rate by more than 10% in that year. This is a powerful an-

ti-recession weapon, especially since Negative Income Tax payments go to those whose propensity to consume is very high.

Each year until the fifth after the adoption of the program, it will cost about \$2 billion more. The natural growth of tax revenues is about \$5 billion a year, so that the Negative Income Tax can be initiated easily without any increase in positive tax rates. This is true even if the war in Vietnam continues.

V. The Political Challenge

We cannot tolerate the low incomes of the poor. Misery affronts our consciences. Ugliness afflicts neighborhoods drained of money and packed with people. Insecurity and discrimination drive their victims to a guerrilla action against the majority who have made it or have it made.

"Massive frontal attacks" on peripheral issues like schooling for four-year-olds do not raise incomes or make anyone more secure. The government's job corps programs, substitutes for on-the-job training, have helped a very few at enormous cost and have not changed the economic environment of the mass.

Direct transfer programs like welfare raise incomes but destroy incentives and erode self-reliance. The poor pay for the security of subsistence incomes by giving up their right to buy what they want or to earn more by their personal effort. Welfare threatens to become a cheap form of institutionalization for people with a problem: like many institutions, it tends to strengthen the problem rather than the person.

If we want to see an improvement in housing and a reduction in crime, we must put more money into poor neighborhoods and regions. If we want to see that money spent efficiently to help people, we can do no better than to let them spend it themselves.

Eighteen years ago Senator Robert Taft said:

I believe that the American people feel that with the high production of which we are now capable, there is enough left over to prevent extreme hard-subsistence, education, medical care and housing, to give to all a minimum standard of decent living and to all children a fair opportunity to get a start in life.¹²

The Ripon Society believes that the adoption of the Negative Income Tax will prove the most viable means of implementing this concept; it will be a great Republican initiative comparable to the Homestead Act and the Thirteenth, Fourteenth and Fifteenth Amendments. No other program to fight poverty can also strengthen free markets and reduce Federal intervention in the economy.

In five years our economy will be producing a thousand billion dollars worth of goods each year. We propose to give one percent to those who so far have been left out. The richest nation in history should do no less.¹³

FOOTNOTES

1. Friedman, *Capitalism and Freedom*, Chicago, University of Chicago Press, 1962.
2. T. A. Johnson, *The New York Times*, December 19, 1966.
3. William A. Klein, "Some Basic Problems of Negative Income Taxation," *Wisconsin Law Review*, no. 3, Summer 1966.
4. See Charles A. Reich, "Individual Rights and Social Welfare: The Emerging Legal Issues," *74 Yale Law Journal*, June 1965, p. 1254.
5. Frank Sugrue, "Welfare Snarled in City Red Tape," *New York World Journal Tribune*, Jan. 8, 1967, p. 14.
6. A 1961 study of AFDC, according to Professor James Tobin of Yale University, indicated that the "East South Central States — Kentucky, Tennessee, Mississippi, and Alabama — estimated need at 20% less than the Middle Atlantic States, met on average only 61% Mississippi 38% of the need so estimated, and met full need in only 3% of their cases." (James Tobin, "The Case for an Income Guarantee," *The Public Interest*, no. 4, Summer 1966, p. 34).
7. NAACP Legal Defense and Educational Fund, "Poverty, Privacy and Prejudice," (pamphlet) New York, 1966.
8. Frank Sugrue, *op. cit.* p. 14.
9. *Having the Power, We Have the Duty*, Report of the Advisory Council on Public Welfare, Washington, D.C., June 29, 1966, p. 16.
10. Moynihan, *The Negro Family: The Case for National Action*. Department of Labor Publication, Washington, 1965.
11. These figures are based on the U.S. Department of Commerce, *Current Population Reports, Consumer Income*, Series P-60, N. 51, January 12, 1967.
12. Senator Robert A. Taft, *New York University*, February 15, 1949.
13. This paper was prepared from an original draft written by John C. Topping, Jr., of the New Haven Chapter and reviewed by a committee composed of the following members: Duncan Foley, Chairman; Robert D. Behr, Research Director; Josiah Lee Auspitz, Thomas A. Brown, Lee W. Huebner, and Leo Juodetka.

BIBLIOGRAPHY

- The Ad Hoc Committee on The Triple Revolution, *The Triple Revolution*. Reprint of the Committee's statement which was carried in the April 6, 1964 issue of *Advertising Age Magazine*.
- The Advisory Council on Public Welfare, *Having the of Health, Education and Welfare*, Washington, Power, We Have the Duty, Report to the Secretary June 29, 1966.
- Elman, Richard, *The Poorhouse State — The American Way of Life on Public Assistance*, New York, Pantheon Books, 1966.
- Friedman, Milton, *Capitalism and Freedom*, Chicago, University of Chicago Press, 1962.
- Klein, William A., "Some Basic Problems of Negative Income Taxation," *Wisconsin Law Review*, no. 3, Summer 1966.
- Moynihan, Daniel, *The Negro Family: A Case for National Action*, Department of Labor publication, Washington, 1965.
- NAACP Legal Defense and Educational Fund, Inc. "Poverty, Privacy and Prejudice" (pamphlet), New York, 1966.
- The National Commission on Technology, Automation, and Economic Progress, *Technology and the American Economy*, vol. 1, February 1966.
- The National Commission on Technology, Automation and Economic Progress, *The Employment Impact of Technological Change, Appendix Volume II, Technology and the American Economy*.
- Nicol, Helen O., "Guaranteed Income Maintenance: A Discussion of Negative Income Tax Plans." *Welfare in Review*, April, 1966.
- Reich, Charles A. "Individual Rights and Social Welfare: The Emerging Social Issues," *The Yale Law Journal*, vol. 74, no. 7, June 1966.
- Schorr, Alvin R. "Against a Negative Income Tax," *The Public Interest*, No. 5, Fall 1966.
- Sugrue, Frank, "Welfare, Snarled in City Red Tape," *New York World Journal Tribune*, January 8, 1967.
- Theobald, Robert. *Free Men and Free Markets, Proposed: A Guaranteed Income*, Garden City, N.Y., Anchor Books, 1965.
- Theobald, Robert, editor. *The Guaranteed Income: Next Step in Economic Evolution?* Garden City, N.Y., Doubleday & Co., Inc., 1966.
- Tobin, James, "A Rejoinder" (to Alvin L. Schorr's "Against a Negative Income Tax") in *The Public Interest*, no. 5, Fall 1966.
- Tobin, James. "The Case for an Income Guarantee," *The Public Interest*, no. 4, Summer 1966.

Reprints of this article may be ordered from the Ripon Society, P.O. Box 138, Cambridge, Mass. 02138 for 25 cents each or \$15.00 per hundred. Add 25 cents handling charge for orders of less than \$2.00.

THE RIPON SOCIETY is a national organization of young members of the business, academic and professional communities who develop research and policy for the Republican Party. It offers the following options to those who wish to subscribe to its publications and support its programs:

Forum only: \$5 (\$3 for students).
Subscriber: \$10 annual contribution
Contributor: \$25 or more annually
Sustainer: \$100 or more annually.
Founder: \$1000 or more annually.

THE RIPON SOCIETY

P.O. Box 138, Cambridge, Mass. 02138

(Address all editorial correspondence to Josiah Lee Auspitz, Editor, Ripon FORUM.)

PROFILE: The Man Who Wants Kuchel's Seat

California's Superintendent of Public Instruction, Dr. Maxwell Lewis Rafferty, is emerging as the principal threat to unseat California's senior Senator Thomas H. Kuchel in 1968.

Although Kuchel is earnestly attempting to mend fences with Governor Ronald Reagan, and Reagan has pledged not to endorse any primary candidate, it is doubtful whether Kuchel's aloofness during Reagan's campaign can be rendered palatable. The Republican Party's conservatives would much prefer the charismatic Rafferty over the progressive Kuchel, and Kuchel, who was returned to his seat in 1962 by 700,000 votes, faces his strongest test in the 1968 primary. Under California law a candidate defeated in the primary cannot subsequently make the race as an independent, and Republican conservatives outnumber the moderates in California.

"BLUE MAX" Max Rafferty, or "The Blue Max," as he is not too affectionately called by some of his opponents, worked his way up in various small school districts from a beginning, as a football coach and an English teacher. In 1961, shortly after he became Superintendent of Schools in affluent La Canada, one of his moralistic speeches was reprinted in *Reader's Digest*, and it put him well on his way into the hearts of the radical right. His books, *Suffer Little Children* and *What They are Doing to Your Children*, have found a niche on the John Birch Society's recommended reading list.

Rafferty was elected to his present nonpartisan post in 1962 after a blatantly partisan campaign that was second only to the gubernatorial race in the attention it received. He emerged as a proven vote-getter, winning office as a Republican despite the defeat of the party's gubernatorial candidate Richard M. Nixon.

His campaign slogan in 1962 was "Readin, Ritin, Rithmetic and Rafferty," and his platform painted him as a lone stalwart against the unpatriotic Deweyism of California schools. An excellent public speaker and an expert in the sentimental generalization and purple prose, Rafferty has since used his platform of public office to support Ronald Reagan and attack what he feels is the moral decay of our society. A wholehearted supporter of Reagan in 1966, Rafferty backed the Governor's positions on the University of California's troubles.

PROPHET OF CLEAN WORDS On the obscenity issue Rafferty has been a veritable prophet of clean words. He supported Proposition 16 on the 1966 ballot, an anti-pornography initiative which had the approval of Reagan and Senator George Murphy. Most legal bodies agreed that the measure was unconstitutional, and it was eventually defeated by the voters.

Rafferty also stirred up statewide controversy over *The Dictionary of American Slang* which includes definitions of so-called "taboo" words. When the book was found on restricted shelves in the Sacramento High School library, Rafferty called it "a handbook of sexual perversion" and suggested "a little bit of censorship."

One of his recent proposals in support of Governor Reagan's budget cuts at the University of California entailed teaching schedules for University faculty members that duplicate public school teachers' hours in the classroom. As Superintendent of Public Instruction, Rafferty is an *ex officio* member of the University's Board of Regents.

CHARMING, STEEL-JAWED

Articulate and charming, Rafferty is a rather handsome man who gives a quick impression of steel-jawed determination from the podium. He has put his executive abilities to good use in building a valuable base of support among educators and cultivating organized conservative Republican groups in the State.

He is now projected as a traditional conservative and is fond of styling himself as "an Eisenhower Republican." At the beginning of his ascendancy, however, Rafferty was a confirmed and contented right-winger, happy being photographed with John Roussetot at meetings of the rightist Doctors of Americanism and supporting anti-income tax proposals.

In early February Rafferty announced he was receiving "substantial campaign contributions" from people urging him to run for the Senate. He also stated he wanted to "talk" to such significant contributors to Governor Reagan's campaign as Henry Salvatori, Los Angeles industrialist, and Holmes Tuttle, Los Angeles auto dealer. Both consider Kuchel anathema.

FADING UNITY

Rafferty has addressed several questions to Kuchel, such as: "Have you voted with your own party 75 per cent of the time?" "Have you always supported Republicans when they ran for Governor of California (Reagan), Senator (Murphy), or President of the United States (Goldwater)?" Rafferty pointed out that Kuchel could not answer "yes" to these, whereas he could.

Governor Reagan has repeatedly proclaimed a "hands off" policy during the 1968 primary and has stated he will back the Republican nominee. Rafferty has told reporters he would withdraw from the race if asked by either Murphy or Reagan. Most observers feel, however, that Reagan's supporters will be behind "The Blue Max," and that California's rosy Republican unity may be fading by midsummer. —MAGGIE NICHOLS

Southern California Chapter

Foreign Policy (*continued from page one*) and it is clear now that any criticism of the administration from these parts is merely an attempt to profiteer from the American electorate's impatience with a long guerrilla war

Such tactics may swing a few Congressional districts, but they will not build a majority party worthy of governing this country. Responsible Republicans must not allow their party to pander to discontent while remaining silent on the major issues.

At a time when the Johnson administration is preoccupied with a land war in a corner of Asia, Republicans have a clear duty to initiate debate on the vast areas that the administration is neglecting. They must not allow wrangling over the minutiae of the Vietnamese war to preempt a reexamination of our position in the world economy; of our relations with Europe, the Communist bloc and the third world; and of the effect of the war in Asia on our commitments and interests in other parts of the world. To do this, Republicans must begin to confront reality instead of consulting doctrine. At a time when their party aspires to govern they must thrash out among themselves well-defined policies that will make this aspiration plausible.

—MAHOUT

P. O. BOX 138: Boston Elects New Officers

BOSTON

More than ninety people braved the snow to attend the annual election dinner of the Boston Chapter at the Chez Dreyfus restaurant in Cambridge on March 16th. The guests of honor were U.S. Senator Mark Hatfield and Mr. Gerald W. Frank, an Oregon businessman who is serving as administrative assistant to the senator. Senator Hatfield, who flew to Boston right after the roll-call vote on the U.S.-Soviet Consular Treaty, spoke informally after dinner on such topics as Republican foreign policy initiatives, the draft and the campaign of Ronald Reagan for the Republican presidential nomination.

His remarks were followed by a general business and election meeting. The following were elected officers of the Boston Chapter for the coming year (*denotes incumbent):

President: *Lee W. Huebner

Vice President: Christopher W. Beal

Secretary: Robert D. Crangle

Treasurer: Wilfred E. Gardner, Jr.

Executive Board: *J. Lee Auspitz, Terry A. Barnett, Robert L. Beal, *Robert D. Behn, Phillip C. Johnston, *Martin A. Linsky.

A gift was presented in the name of the chapter to John S. Saloma, III, who stepped down this year as chapter president, a position he has occupied since the founding of the Ripon Society in Cambridge four and a half years ago. Mementoes of service were also given to W. Stuart Parsons, outgoing National Coordinator and Vice President of the Boston Chapter, and to Nathaniel F. Emmons, outgoing Program Chairman and former research director.

Earlier in the month the Executive Board entertained Governor and Mrs. George Romney at a small, informal sherry. Republican politics, the economy and the war in Vietnam were among the topics discussed in an off-the-record session with the Michigan governor. Another guest during March was columnist Robert Novak who spoke on the state of Republican politics.

The Boston Chapter has begun its fund raising activities for the coming year with a luncheon attended

SOUTHERN POLITICAL NOTES

○ Republicans have a real chance to pick up a governorship in Mississippi this year if former Governor Ross Barnett is successful in his comeback bid for the Democratic gubernatorial nomination. Whether Barnett will be the nominee is still very much an open question. U.S. Representative John Bell Williams, who supported Barry Goldwater in 1964 and has as a result been stripped of his seniority by the House Democratic caucus, is regarded as a strong candidate who will split the racist vote with Mr. Barnett. The candidacies of State Treasurer William Winter, District Attorney William Waller, and the various minor contenders seriously complicate the primary picture. Winter and Waller are both racial moderates.

The Republican nominee will very likely be Rubel Phillips. Phillips polled 39% of the vote against Paul Johnson four years ago. He has strong appeal to white racial moderates and to business elements. Against either Ross Barnett or Williams he should attract a large Negro vote. If Barnett should be the opponent he will also have the backing of the many Democrats who think Barnett's election would "set Mississippi back 50 years." Last fall's Ripon study, *Southern Republicanism and the*

by prominent political and financial personalities in Massachusetts.

NEW HAVEN

Two hundred Connecticut Republicans attended the New Haven Chapter's fund raising cocktail party with Mayor John V. Lindsay on March 9th. The party was not only a financial success but also made many new friends for the Ripon Society. Among the featured guests were: Howard Hausman, new Connecticut State Chairman; Tina Harrower, Connecticut Republican National Committeewoman; George Montano, New Haven Republican Town Chairman; Fred Pope, Minority Leader of the State Senate; John Lupton, head of the Connecticut Citizens Committee; and a host of others. . . . Elliot Richardson, the Attorney General of Massachusetts addressed the chapter on March 6th. The subject: problems of local government.

SOUTHERN CALIFORNIA

Dr. Thomas Brown, National Governing Board member, addressed the Pasadena chapter of the California Republican League on the Ripon Society on March 14. . . . The Los Angeles Chapter's "California Politics '66," an analysis of the 1966 elections in California, has been sent to the typist. The chapter's last general meeting included presentations of the various sections of the paper and discussion of the conclusions. . . . The chapter's guest at its April meeting will be Robert Monagan, Republican Minority Leader of the California Assembly. . . . A limited number of copies of the chapter's paper, "A Review of California's Political Parties," which presents proposals for revision of the California *Elections Code*, are available for \$1. Write: The Ripon Society of Southern California, 433 South Spring Street, Los Angeles 90013.

R.I.P.O.N.

A correspondent from the New York Chapter reports overhearing the following exchange in Grand Central Station:

HER: What does Ripon stand for anyway?

HIM: Let's see . . . Republican Independent Political Organiz . . . Gee, I don't know, maybe it's a CIA front.

New South, said of him, "Should Rubel Phillips be elected governor, the Mississippi Republican Party would have a superb opportunity to become identified as a party of racial moderation."

○ Fred Agnich, the new Republican Chairman in Dallas, is reported by *The Texas Observer* to be working to broaden the party's appeal. He has moved to eliminate "far-outers" from the party organization. Reportedly he believes that the Texas GOP must shift from the narrow Goldwater variety of conservatism to a more broadly based "responsible conservatism." He indicates that national Republican leaders of all political colorations will be welcome at Dallas GOP events.

○ A limited number of copies of the Ripon Society-Republicans for Progress study of *Southern Republicanism and the New South* is still available at the national offices of the Ripon Society, P.O. Box 138, Cambridge, Mass. 02138. The 129-page study gives a state-by-state report on Republican prospects and personalities in the South. The work is the most up-to-date survey of Southern Republican politics now available. Enclose \$2.00 for each copy. (Massachusetts residents add 3% sales tax.)