

# Contents

<b>Introduction.....</b>	<b>1</b>
My Political History .....	2
My Intellectual History.....	2
The Bottom Line.....	5
Who Are You?.....	6
How Can I Convince You?.....	8
<b>Chapter 1 Life Is Not Fair, But People Can Be.....</b>	<b>11</b>
Economic Justice — Should It Be a Goal?.....	11
Relevance of Determinism.....	14
Concepts of Justice.....	15
Rawls and Nozick—Contrasting Views of Justice .....	22
The Utilitarian View of Justice.....	25
Justice as an Emotional Response .....	26
Criminal Justice.....	27
Rectifying Life's Injustices.....	29
Something for Everyone, But More for Some— Justice and Reality Reconciled.....	33
<b>Chapter 2 Are You Worthy? Current U.S. Welfare Programs.....</b>	<b>41</b>
Current Public Assistance Programs in the United States.....	42
Negative Aspects of Current U.S. Public Assistance Programs.....	60
Summary .....	64
<b>Chapter 3 The Market: Who Gets What, Why, and Whether.....</b>	<b>75</b>
Alternatives to the Market.....	76
The Virtues of the Market .....	78
The Shortcomings of the Market.....	80
Long-Run Prospects for Capitalism .....	93
Current Welfare Interferences with the Market.....	94
The Benefits of the GAI to the Market.....	98
Summary .....	100
<b>Chapter 4 Work—Who Needs It? .....</b>	<b>107</b>
Work — What Is It?.....	107
Do People Need to Work? .....	113
Must Society Require That People Work?.....	114
Is Work Going to Be Available?.....	120
The Serendipitous Impact of Technological Development.....	121
A Note on Creating Jobs.....	122
Conclusion.....	123
<b>Chapter 5 We Are What We Were .....</b>	<b>129</b>
The Essence of the Argument.....	130

The Path to this Conclusion.....	131
Determinism.....	133
Implications of a Determinist View of Human Behavior.....	139
Conclusions.....	145
<b>Chapter 6 Why the Guaranteed Adequate Income .....</b>	<b>153</b>
The Basics of a Guaranteed Adequate Income.....	154
The "Sound Bite" Argument.....	154
What a Guaranteed Income Provides to Individuals .....	155
A Guaranteed Income Is Not Founded on a Right.....	158
The Social Dividend Argument .....	160
The Work Reduction Argument.....	162
A Guaranteed Income Is Conservative .....	163
Effective and Efficient.....	166
Conclusion.....	168
Appendix: Results of Negative Income Tax Experiments.....	169
<b>Chapter 7 The History of Guaranteed Income Plans.....</b>	<b>178</b>
Speenhamland System.....	178
Edward Bellamy's Forward Look.....	178
British Proposals of the Rhys-Williams.....	179
Family Allowances .....	179
George Stigler's Brief Mention .....	179
Friedman Negative Income Tax.....	179
Schwartz Family Security Benefit .....	180
Tobin Plan .....	181
Lampman Plan.....	181
Theobald's Basic Economic Security .....	181
Family Assistance Plan .....	182
Credit Income Tax .....	182
George McGovern's 1972 Campaign Proposal .....	183
Able Grant .....	183
Allan Sheahan's Plan .....	184
Problems with Previous Plans.....	185
Appendix: Relative Price and Poverty Levels .....	186
<b>Chapter 8 The Guaranteed Adequate Income Proposal.....</b>	<b>190</b>
The Nonnegotiables .....	190
The Negotiable Elements.....	195
The Mechanics of the Plan .....	197
The Cost.....	199
Funding the Program .....	199
Hypothetical Demonstrations.....	199

Phasing In.....	200
<b>Chapter 9 Cost and Funding Calculations.....</b>	<b>204</b>
The Total Potential Outlay.....	204
Projected Impact of the New System.....	208
Summary.....	219
<b>Chapter 10 Final Thoughts.....</b>	<b>222</b>
The Thought Process Leading to the GAI.....	222
How Much Is Enough?.....	224
Political Prospects.....	225
<b>References.....</b>	<b>227</b>
<b>Index.....</b>	<b>229</b>

## LIST OF TABLES

Table 3.1 Selected Indicators of Income Distribution.....	85
Table 3.2 Impact of Varying Measures of Income on Income Distribution .....	87
Table 3.3 Number of Families Below the Poverty Level and Poverty Rate 1959-1992.....	88
Table 6.1 Probability of Employment.....	171
Table 7.1 Consumer Price Indices and Purchasing Power of the Dollar- Selected Years.....	186
Table 7.2 U.S. Government Poverty Levels-Selected Years.....	186
Table 9.1 1993 Income Tax Rates .....	206
Table 9.2 Effect of 1993 Tax Structure on Two Sample Taxpayers.....	206
Table 9.3 Flat Tax Equivalent of Current Income Taxes (Selected Family Situations).....	207
Table 9.4 Effects of GAI and Flat Tax on Two Sample Taxpayers .....	209
Table 9.5 Median and Mean Net Worth by Household Income Quintile .....	209
Table 9.6 Net Transfers Under the Proposed GAI/Flat Tax Structure .....	210
Table 9.7 Effective Tax Rates Under the Proposed GAI/Flat Tax Structure .....	212
Table 9.8 New Effective Tax Rates Minus Old Rates .....	213
Table 9.9 Comparison of Net Income Under Present Tax Structure with Net Income Under GAI/Flat Tax System .....	214
Table 9.10a Distribution of Incomes in the United States.....	215
Table 9.10b Distribution of Incomes in the United States.....	216
Table 9.11a Aggregate Transfers by Income Category .....	217
Table 9.11b Aggregate Transfers by Income Category .....	218