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Whoever asked three economists and a social worker to play "historian for a day" was a brave man. Inevitably, he has elicited three very different interpretations of the meaning of recent events for the future of income maintenance and welfare reform.

Professor Tobin, in his new role as current historian, reflects on "the dismal legislative political history of tax and welfare reform in recent years." He is concerned with why there has been so little reform and offers six lessons from history, which are mostly prescriptions for what not to do next time. Professor Lampman is more positive, emphasizing the big changes that have occurred in the last several years. But he sees the changes as raising new problems and sounds anything but optimistic about the future.

History is only "dismal" if one expected more rapid progress. Personnally I have been struck with how far we have moved, both intellectually and politically, toward a workable income maintenance system since the problem surfaced in the mid-1960s. Let us go back to 1966, which was after all only eight years ago. Looking around in that year, one would have seen a creaky welfare system, designed thirty years before for very different problems, coming under near universal attack. The AFDC program, which had been designed to handle the "temporary" problem of widows and orphans not yet covered by social security, was growing rapidly and unexplainably. Families on welfare were subject to 100 per cent tax rates, almost no aid was available for families with a male head, and the strictness of the welfare categories was maintained by a man-in-the-house searches.

The academic economists had diagnosed the problem and come up with a neat solution. They wanted to replace the whole welfare system with a negative income tax, which would guarantee everyone a minimum income based on family size and preserve incentives to work by reducing the benefit payment substantially less than one dollar for every dollar earned. The negative tax seemed to solve the problem of poverty, work incentives, and family break-up all at once. It was a clean, attractive, utopian scheme and most us, like Professor Tobin, "had some hope of seeing it adopted, but not very much." We thought there would be plenty of time to design, carry out, and analyze a negative income tax experiment before serious consideration need be given to drafting legislation.

President Johnson was not at all interested in the negative income tax. I don't think he ever explicitly rejected it; he just did not think that anything with so little appeal as welfare reform was worth thinking about. Then came the 1968 election. Those of us who had tried and failed to sell a Democratic Administration the basic idea of welfare reform assumed the jig was up, at least for a while.

But we were wrong. In the next four years events moved much faster than any of us thought possible. A Republican President proposed a basic welfare reform which looked very much like a negative income tax, and the Congress took it seriously. Indeed, considering that it was a new idea stemming from a President of the opposite party the Congress gave the plan a remarkably warm reception. The Family Assistance Plan passed the House of Representatives twice and could have passed the Senate had an ambivalent President not changed his mind in the middle of a reelection campaign. Perhaps in the heat of the election he realized that Johnson was right: there are no votes in welfare.

Professor Tobin professes not to know "whose fault it is that FAP never got through the Senate." In my opinion, although the arch radicals and the rabid conservatives deserve their share, the blame lies squarely with the Chief Executive for backing away at the crucial moment from the workable compromise worked out by Senator Ribicoff and then Secretary of HEW Elliott Richardson.

Despite these reverses, as Professor Lampman points out, the last several years have seen substantial steps in the direction of a universal income maintenance system which would eliminate poverty without discouraging work. The AFDC program has been liberalized. The Supplemental Security Income Program (SSI) is essentially a negative income tax for the aged. The Food Stamp Program now has universal federal standards and has grown into a kind of negative income tax in-kind, available to the working poor as well as to people in the welfare categories.

My own view of history is somewhat Tolstoyan -- great battles won or lost because a single soldier picks up the flag and runs the right (or the wrong) way at the crucial moment. If President Nixon had supported the Richardson-Ribicoff compromise and the Family Assistance Plan had become law, perhaps Professor Tobin would be remarking with surprise on the rapidity of progress.

Perhaps, however, he would not have been optimistic even if FAP had passed, since he saw FAP as incrementalist,"not a strategy which would lead gradually to a more fundamental reform." He believes that true progress in the income maintenance area must involve reform of the tax system and that both transfers and taxes must be handled under a single system by the Internal Revenue Service.

I disagree. I believe it is possible to have a dignified well-run income maintenance system administered by an agency other than the IRS. The new SSI system, administered by Social Security, does not seem to be obviously inferior to a negative income tax for the aged administered by IRS. The administrative problem of running an income transfer system for low income people is quite different from that of collecting a positive tax. The accounting period has to be shorter, different kinds of information have to be collected, the definition of income may have to be different. Hence, forms and procedures will have to be different for negative than for positive taxpayers even if the same agency administers both programs.

Indeed, I would suggest that recent history may yield a seventh lesson; namely, that the strict tax approach to income maintenance has almost zero political appeal. To be sure, its proponents have not explained it adequately (even to presidential candidates) and should try harder. Nevertheless, it must be recognized that enthusiam for coupling the positive and negative tax systems remains low, especially in the corridors of the Internal Revenue Service.

But the most important lesson of the recent history seems to me that economists and other policy analysts simply have to work harder on policy problems if they are to come up with practical solutions. Solving the income maintenance problem will require more than coming up with neat sounding proposals. It will be necessary to think these proposals through carefully, to explore how they would relate to existing programs and how they would be administered. We are all a lot wiser now than we were in 1966. We know a lot about messy things like the problem of cumulative marginal tax rates and the crucial importance of accounting periods. We are all to aware of the equity problems created by the fact that any program which relates "need" to family size results in substantial transfers from small to large families with the same income level.

I am not saying that the policy analysts of 1966 were politically naive -- worse than that, we were technically naive. We were like theoretical physicists trying to build a bridge or a bomb. We simply did not understand how complicated practical problems were. Now that we do, perhaps progress will be faster.