

The Legacy of Leonard Greene  
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On an early August afternoon in 1978, I arrived at Safe Flight Instrument Corporation in White Plains, NY to interview for a job as archivist at the Institute for SocioEconomic Studies. I was directed to a long room at the side of the building, where I met the office manager of the institute, and was briefed on the institute's mission and on the protocol for a meeting with its president, Leonard Greene.

I was told that I was one of three finalists for the position. I should be careful to keep to the subject of Dr. Greene's questions or statements, and not to try to amplify or explain any points in my resume unless asked to, particularly the fact that I had only had an introductory course in economics. "He isn't an economist either," she said—"and proud of it."

"Most of all," she added, "if he falls silent and looks up at the ceiling—no matter how long—don't try to interrupt his thought process."

As it turned out, my background in history and political science and my scholarly output were never brought up in the interview. He seemed more interested in a part-time job I had had in college, reading course materials for blind students. He was then immersed in a study of the correspondence between light waves and sound waves, and in his latest invention—a process for converting colors into sounds to enable a blind musician to "compose" to canvas using oils labeled with musical notes.

I learned sometime later, that a group of business executives meeting with Leonard in his office, who had not been forewarned about this thought process, became so worried by one of his long silences that they called out to his secretary that they feared he had become apoplectic, and maybe she should call 911.

This thought process was part of Leonard's soul and being. He had an innate ability to analyze a complex problem in his head and envision a creative, even offbeat, solution. This kind of thinking allowed him to articulate the first, correct theory of how pilots might break the sound barrier, and to devise a means of warning them when their plane was about to stall—that is, to lose the lift necessary to keep flying—and take action to avert a crash. He observed the process an earthworm uses to move through the earth—basically by ingesting and egesting soil through its body as it tunnels—and became inspired to design a jumbo jet with a hollow core for the air to flow through, thus reducing the plane's impact on its environment and eliminating the sonic boom. These were the seeds of his success in aeronautics. But flight dynamics was not his only subject. He pioneered the use of instruments to measure keel performance in America's Cup yachts. He devised a system for playing chess in three dimensions instead of the traditional two, which he called Cubic Chess; a strategy to consistently beat the house at blackjack, which got him banned from more than one casino; and new rules for Tournament Bridge that minimized the influence of luck and maximized that of skill. He created a technique for projecting images onto eyeglasses to make speech visible for the hearing impaired. He developed an extract of nutmeg, to give the island of Grenada a new industry. He pioneered a "chain" scholarship plan for college students that cycled repayments back into the fund to provide more scholarships, and he helped co-found Corporate Angel Network to transport cancer patients to care centers on private business jets.

He filed hundreds of patents in his long life, was voted into the National Inventors Hall of Fame, and still had a number of new designs on the drawing board or under review at the Patent Office when he passed away at age 89.

But in this forum, when we talk of Leonard's legacy, we're referring more specifically to his achievements in social policy, and particularly, to his promotion of a universal income.

That story begins in the early 1970's, when a young computer technician from a poor family in the Bronx came to work for Safe Flight. He did well on the job, and after a while was offered a promotion. Then he abruptly handed in his resignation, and when asked why, he said that the extra income would make his family ineligible for federal housing assistance.

To Leonard, this was another problem in need of a solution; so, he began a study of the work disincentives in our welfare system and the efforts of the Office of Economic Opportunity to fund field experiments and find solutions.

A longtime friend, economist Alfred Tella, who has referred to Leonard as a "national treasure," told me how the flight engineer and inventor became a social reformer:

(I'm now quoting Al Tella.)

"In the early seventies the government (Office of Economic Opportunity) decided to fund field experiments to measure the work disincentive effects of various welfare reform plans under consideration, including a negative income tax. However, the experiments did not include the type of low-tax plan Leonard was interested in, so he offered the

government a million dollars out of his own pocket if they would add his plan to the package. I had been research director of the President's Commission on Income Maintenance Programs (1968-70), which recommended a negative income tax to replace the existing welfare system. Since the results of planned field experiments were years away, it was my job to find a short-term substitute, more specifically, to develop a model based on theory and existing data to estimate the work disincentive effects of various welfare reform proposals. I did that, which enabled the Commission to recommend a negative income tax, and my study was published in Harvard University's Review of Economics and Statistics. So, when I read about Leonard's one million dollar offer, I contacted him and told him to save his money, that I had a model that would do the job for nothing. As it happened, the OEO turned down his offer anyway, not surprisingly. He read my paper and was ecstatic, and I used the model to make the calculations he wanted. His frustration dealing with the government made it easier for me to argue that he should create his own institute.”

It was a fertile time for welfare reform, and Leonard sowed the seeds of change. In 1972, he joined the McGovern campaign as an adviser on the guaranteed income, only to abandon the effort when, during a televised debate, the candidate stumbled on the numbers, revealing that he really didn't understand the concept. He reached out to Wisconsin's Institute for Research on Poverty (my associate Irv Garfinkel can say more on that), and he joined Al Tella's wife Dorothy (also an economist) on the U.S. Chamber of Commerce's Panel on Welfare Reform. The panel ultimately proposed a universal tax credit, but the initiative was spurned by the national chamber's leadership.

In 1974, Leonard created the Institute as a national forum where academics, government leaders, business executives and policy advocates of all political persuasions could get together to find practical solutions to our most pressing problems. At our frequent dinner

conferences and in the Journal we published, a broad spectrum of our nation's leaders were represented, from Barry Goldwater, Margaret Thatcher, and Walter Williams, to Hubert Humphrey, Patrick Moynihan and Benjamin Hooks—all dedicated to plowing a common ground where all Americans could find room to grow and be productive.

Leonard readily acknowledged that many of his ideas were not new. He gave due credit to British conservatives for their pioneering contributions on the demogrant. He recognized Milton Friedman's crusade for the negative income tax, although he argued that it left wide notches at middle-income levels. Rather, he took these ideas and re-packaged them, transforming them from liberal precepts and populist rhetoric to a powerful force for free enterprise.

Leonard's ideas were always couched in bold, populist terms, but he confessed to being a market capitalist who believed that the welfare state and its huge bureaucracy were enslaving the poor and preventing them from realizing their productive potential. He likened the economy to a Monopoly board, where players could stay in the game by collecting \$200 each time they passed Go. When asked why a wealthy entrepreneur would show such concern for the welfare of the poor, he replied "I do not want to be a first-class passenger on a sinking ship." And when pressed to defend a minimum income, he often recounted how his son Don, then aged about five, had said to him: "Dad, I think what you're trying to say is, there's no reason why a person's income has to start at zero." Don's tragic death at the hands of terrorists in the Pennsylvania plane crash on 9/11 confirmed Leonard in his rationalist distrust and fear of religious zealotry.

If forced to politically categorize Leonard, one would most likely have to call him a libertarian, but he eschewed such labels. He was simply Leonard Greene.

He had a genius for marketing and was a real showman, with a satchel stuffed with catchy phrases and slogans and new ways to package and promote his ideas. His shorthand phrase for effective PR was “black lipstick,” from the story of a North Carolina school girl whose expulsion for her insistence on wearing “Goth” makeup made the front pages of the nation’s major newspapers. Once, at a staff meeting whose goal was to find ways to get the message of welfare reform heard in Albany, someone said almost sarcastically, “We’d have to send the message via homing pigeon to get their attention.” “Brilliant idea,” Leonard replied. “Let’s do it!”

Always suspicious of economists, because they seemed to speak a language of their own, and viewed policy issues in more complex terms than he deemed necessary, he spurned the word “demogrant,” arguing that it only had meaning to social scientists, and would confuse the public. He had used it extensively in his first book, *Free Enterprise without Poverty*, but never did so again. Instead, he preferred to package his ideas in more conventional terms, like “rebate,” “supplement,” or “tax credit.”

He had a formula to deal with every social problem, but it was invariably boiled down to the same thing: take away and give back. It didn’t matter whether it was done through the income tax, a value-added tax or an excise tax; the net effect would be a transfer from the rich to the poor. The problem might be poverty, health care, energy conservation, pollution abatement or education, but the solution was always taking away and giving back, with as little government handling charges as possible.

When Patrick Moynihan pronounced the last rites for the guaranteed income at a Finance Committee hearing in 1978, it marked the end of an era. Like Camelot, it had begun with hopes and dreams and ended with sadness and disillusion, leaving only a faint hope for future rebirth. That time may have finally come, as a new Arthur, with a vision of rebirth

and a magical plan of action steps forward to take the challenge—with the test of Excalibur replaced by the riddle of how to jump start a failed economy without increasing the deficit.

In closing, I would like to take this chance to thank my good friend, Karl Widerquist for his long-time support of Leonard's contributions to welfare reform. At a time when scholarly treatises on the War on Poverty rarely, if ever, mentioned Leonard's name, Karl wrote a comprehensive bibliography that gave him the prominent place he deserved. I would also like to acknowledge the dedicated support of Bob Harris, whose interest in Leonard's ideas went back to the early days of the OEO, and whose memory we all hold dear.