I would like to claim that Milsark's generalization is an epiphenomenon. My argument is based on Japanese and English bare noun phrases, but I expect the claim to hold generally. I will show that a bare noun phrase as the subject of a sentence may be construed either as generic/universal or existential, whether the predicate is a stage-level (SL) with an event argument, as in (1), or an individual level (IL) predicate, as in (2).

(1) Apples were beautifully arranged in a basket.
(2) Japanese are major league baseball players.

Whether a bare noun phrase subject of a sentence is construed as generic/universal or existential is the matter of choices of domains with respect to which the proposition represented by the sentence is interpreted, and not the matter of different forms of propositions the sentence represents. I will call a domain with respect to which the bare noun phrase subject is construed as generic/universal a g-domain.

Japanese has two sentence forms that correspond to English declarative sentence, the plain sentence form and the wa-marked sentence form. The wa-marked sentence is understood to express a categorical judgment (a predicational form of a judgment); the wa-marked noun phrase represents the subject of the predication. Milsark's generalization has somehow been believed by many scholars to be related to the categorical judgment. But if Milsark's generalization is spurious, the grounds for such an association are lost. However, if the wa-phrase is a bare noun phrase, as in (3) below, the sentence must be interpreted in a g-domain. Maybe this fact is the cause of the illusory association between Milsark's generalization and the categorical judgment.

(3) ringo wa kago no naka ni kirei ni narabete atta (apples-wa were beautifully arranged in a basket)

Next, I compare sentences like (1) with what I call their existential transforms:

(4) Apples which were beautifully arranged in a basket were (on the table).

A plain SL sentence and its existential transform are truth-conditionally equivalent, but their logical functions may not necessarily be equivalent due to the fact that a g-domain of the latter may not be one for the former. I assume, as in classical transformational grammar, that the there insertion sentence is a surface representation of the existential transform of a sentence with a SL predicate.

If we replace apples in (1) by a strong NP like most (of the) apples, we have to use a non-restrictive relative clause in the definition of the existential transform in order to keep the truth condition invariant. Let us call an existential transform weak (strong), if it is defined by means of a (non-) restrictive relative clause. Then, the there insertion transformation provides the surface representation only for a weak existential transform. This is a correlate of the definiteness effect. I will claim that there is a good reason in English (lacking in Japanese) why it is advantageous to have a construction like there-insertion representing a weak existential transform, in addition to a plain sentence form like (4), namely to suggest an existential contrual of a bare noun phrase and express a thetic judgment unambiguously.