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“Poverty: Why Politics Can’t Cure It”

by Robert Woodson

Editor’s Preview: The Center for Constructive Alternatives (CCA) seminar, “Public Good/Private Lives: Voluntarism in America,” held in November of 1987 focused on individuals and organizations who do make a difference in our world. Along with leaders in volunteer family services, literacy, education, fine arts, youth development, and corporate philanthropy, Robert Woodson, president of the National Center for Neighborhood, emphasized that the voluntary sector plays a critical role in determining our future and may serve to counteract rather than encourage our dependency on paternalistic government.

It has been said that the true effectiveness of any nation may be measured by its ability to provide for its weakest members. Certainly, the United States has demonstrated its sincere desire and its tremendous capacity for helping its disadvantaged members time and time again. I would like to focus, however, on some of the obstacles that have been created in recent years and how we ought to combat them. I don’t wish to repeat the litany of despair which is so often heard on television and in the press. I am a firm believer in the old Chinese adage that opportunity often flies on the wings of adversity.

The Rise of the Welfare State

Prior to the 1930s, the responsibility of caring for the poor and disadvantaged was largely assumed by families and local communities. Help, in other words, came from direct and immediately involved sources within a familiar environment. But the onset of the Great Depres-



sion meant that millions of people were suddenly unable to care for themselves. The collapse of the stock market and the run on banks so strained the resources of communities and families that they, more often than not, were prevented from offering relief to those in need.

Not surprisingly, Franklin Roosevelt’s New Deal program was met with a warm reception from many Americans in the early part of this century. On an unprecedented scale, government began to intervene in the economy on behalf of the disadvantaged, but always, the people were told, federal relief programs were temporary. Once the crisis was over, family and community responsibility would be restored. In the meantime, New Deal agencies used Social Security and other innovations to transfer income from taxpayers to the disadvantaged. From the 1930s on, aid to the needy has followed

this formula, depending on cash payments in order to remedy economic and social inequities. The Great Depression, World War II, Korea, Vietnam, the Great Society — throughout it all, more and more people turned to the government as the ultimate problem-solver. Inevitably, the welfare state expanded far beyond anything the original framers of our Constitution ever envisioned and belied the New Dealer’s assurances that intervention was merely temporary. What began as an ambulance in a dire emergency has now become an entire transportation system.

It is the government bureaucracy which feeds and shields the welfare state. Since Lyndon Johnson’s War on Poverty began in the 1960s, we have spent more than a trillion dollars, representing a twenty-five fold increase in local, state, and federal aid to the poor. Twenty years ago, if you had predicted that such generous aid would fail to cure the problem, you would have been ridiculed. But today, even many liberals will concede that aid has created a poverty industry in America. This industry accounts for hundreds of agencies and thousands of social workers, civil servants and other professionals whose business literally rides on the backs of the poor; about 75 percent of aid to the poor goes not to them but to those who serve the poor.

Ironically, we are now faced with the problem of how to help the poor survive their champions. Even the noblest of motives, like the ones which inspired the New Deal and later the Great Society programs to combat hunger, disease, unemployment, indigency, have consequences.

The American people spend approximately \$240 million annually to fund such programs, yet they are told that 30 million people are still below the poverty line and that at least one-third of the black community is virtually trapped there. Despite

misperceptions which underlie our entire approach to government aid. First of all, we spend too much time studying failure. Typically, a government expert or academic researcher will complete a "needs assessment" by going into a low income com-

to achieve in school, if you refrain from sexual activity, there is no program for you. You just don't qualify.

The Poverty Industry

Meanwhile the state-funded university researchers, the think tank experts, the social workers, and a host of other genuinely compassionate, well-intended professionals are busy designing solutions they will impose on the poor, with every expectation that the laws of supply and demand are working in their favor — after all, it pays to be poor. And when intervention and massive doses of government subsidy fail, they do not blame their own programs. They claim instead that the problems are more intractable than originally thought, that not enough aid and manpower was granted in the first place. The call is for more intervention, more money, and more programs for the poor. To criticize the already failed campaign is to risk being branded anti-poor. The cycle

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government subsidy and the passage of civil rights legislation, blacks are a permanent “underclass,” their champions insist.

Misperceptions About the Poor

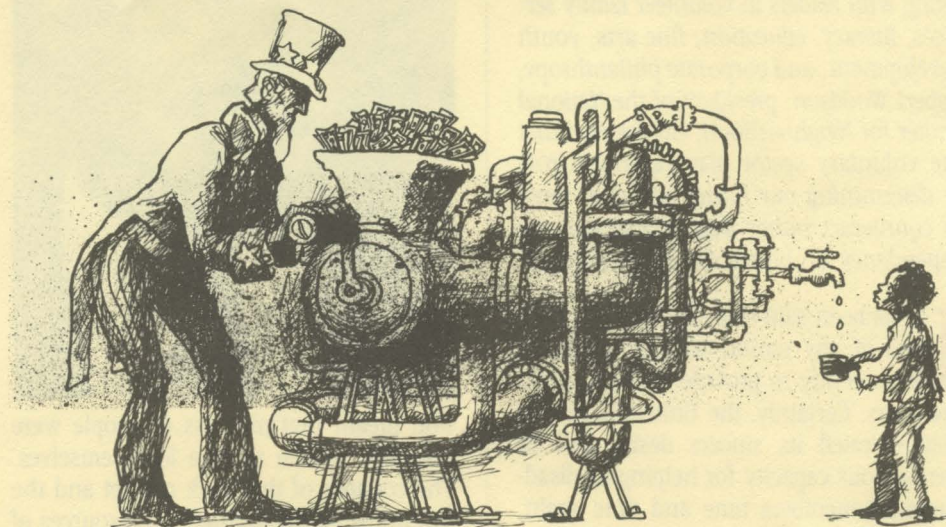
Not all consequences of the poverty problems have been perverse, of course. Child malnutrition, care for the elderly, and many other critical problems have seen enormous improvement and some ills have been completely eradicated. But, by and large, the system has created disincentives which prevent people from helping themselves.

This is based, I believe, on certain fundamental misperceptions about the poor,

munity and interviewing individuals in order to define the “pathology” of the poor; in other words, they examine incapacity, rather than capacity. Michael Novak, one of our most trenchant social critics, has noted that the only thing one can learn from studying poverty is how

About the Author

Robert L. Woodson, president of the National Center for Neighborhood Enterprise and chairman of the Council for a Black Economic Agenda, was formerly a resident fellow and director of the American Enterprise Institute's Neighborhood Revitalization Project and director of the National Urban League's Administration of Justice Division. He received his bachelor's degree from Cheyney State College in Cheyney, Pennsylvania, a master's degree from the University of Pennsylvania, and pursued further graduate studies at the University of Massachusetts. Appointed by President Reagan as a member of the Board of Advisors on Private Sector Initiatives, Mr. Woodson is the editor of *On the Road to Economic Freedom: An Agenda for Black Progress* and has contributed numerous articles to a variety of journals and the national press.



to create it. I agree with him. If I chose to learn how to master a musical instrument, the last thing I would do is to interview ten music school dropouts; I would seek out successful musicians and copy their techniques. Success, not failure, ought to be the primary focus of our attention.

Another significant problem with the traditional approach to poverty is that it tends to reward failure. If you are poor and truant from school, there is a program for you. If you are poor and alcoholic, there is a program for you. If you are poor and pregnant, there is yet another. But if you are merely in the low income category, if you obey your parents, if you are struggling

of poverty encourages an ever-rising increase in public expenditures and leads the professionals to ask not which problems are solvable but which are fundable. And seldom are those in the government ranks answerable to the people they serve: the taxpayers.

Unfortunately, the poverty industry robs poor people of that most precious commodity — dignity — because they are not permitted to participate personally in devising the solutions to their problems. Some sociologists suggest that the basis of most successful relationships is reciprocity; I do something for you, you do something for me. But when one person is continually put in a position in which he is solely on

the receiving end, it is not surprising that he is likely to learn to despise the gift as well as the gift-giver. In a healthy situation, we are able to give as well as receive. Otherwise we revert to the status of children as dependent individuals who have to rely on parents or society for our needs.

Just as children are not held responsible for their behavior, poor people are not given the benefit of the doubt. The "poverty experts" on the Left tend to believe that even if poor people had the requisite information and role models aplenty, they are just too stupid to make informed, intelligent decisions. We must provide trained professionals to do it for them. This is supposed to be a compassionate view, but it bears no truth in reality and it is the worst possible illusion the Left can perpetuate. The Right, on the other hand, mistakenly assumes that all we have to do is open the doors of economic opportunity and let the winners and losers fight among themselves. This "let the strong survive" attitude is just as bad. Conservatives fail to understand that in order to participate in the American economy, a person must have adequate sources of information, and, furthermore, must know how to put such information to good use.

Poor people are the losers in this bipolar debate among liberals and conservatives. When compassion for the poor is defined by how much, not how wisely we spend, the attitude will always be: "Spend more." Never mind budgets and deficits — cuts mean suffering, privation, and insensitivity to the needs of the poor. Similarly, when compassion amounts merely to offering

opportunity without the necessary knowledge to take advantage of it, the attitude will always be "Spend less," without adequately addressing the problem.

Alternative Solutions

There is a third way. The National Center for Neighborhood Enterprise visits low income communities to learn about their success stories. We don't assume that the poor are stupid and

in order of importance, to friends, relatives, the local church or the ethnic community in their immediate environment. Last on the list, in most cases, is the professional service provider. In light of the fact that we tend to deliver services through government programs, it is no wonder that we fail to reach the poor.

Some intermediary institutions which stand between individuals and the bureaucracy can be helpful. That is where the National Center for Neighborhood

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incapable of helping themselves. And we believe that like the human body, communities are oriented toward health. And as with the human body, antibodies may be created and drawn to the point of injury so healing can begin. People can assume the role of antibodies in their own neighborhoods, coming to the aid of those in need. The National Center for Neighborhood Enterprise is one organization which attempts to give the poor access to information and shares with them the success stories of their peers, enabling them to figure out what is their best option.

What we discovered in our own "needs assessments" was that poor or low-income people faced with a problem want to turn,

Enterprise and other organizations may succeed. The wealthy may engage tax accountants, lawyers and consultants, so it only makes sense that the poor ought to have the same option.

The aim for all who would improve the lot of the poor shouldn't be the expansion and maintenance of the poverty industry. We should be encouraging already existent community "antibodies" to poverty and distress. It is no longer just a matter of social responsibility or moral duty; we are compelled to address these problems if we are to remain a viable economic power. Within the next twenty years, the American economy may produce as many as 15 million new jobs, but these jobs will

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require, at *minimum*, a high school education. Today, a million students drop out of high school each year and a million more may be graduating illiterate. Studies indicate that during the same span of time the number of black and Hispanic youths will increase — and it is they who are the ones who are dropping out and failing to learn.

American corporate leaders are taking this challenge seriously; they know it is

in Kenilworth ever went on to college. Many never even finished high school. Violence, poverty and despair were rampant.

But seven years ago, an enterprising woman who had managed to raise five children by herself in public housing and who had sent all of them to college, decided to reach out to other Kenilworth youngsters. She began a self-help study program, "College Here We Come," which

community is now rated as one of the safest locations in the city. Was it government paternalism which achieved this extraordinary success? Certainly not.

Kimi Gray, the woman who, more than anyone else, is responsible, has been the subject of great public attention. She has appeared on national television in programs like *Sixty Minutes* and has spoken at the White House and before many organizations. She is quick to credit the other residents of Kenilworth for helping to turn their lives and their community around, claiming that all they needed were the opportunities and the resources to help themselves. They are tough on one another, because they respect their peers enough to have high expectations of them. They exemplify personal discipline and perseverance; in short, the qualities which have so long been identified with the American dream.

Interestingly enough, their success story has also become one of our best exports: Foreign nations eager to seek new answers to their own chronic problems of poverty and dependence have sought out Kimi Gray and her peers. Meanwhile, we in the United States have a homegrown remedy to our allegedly intractable problem of poverty which our intellectual elites and bureaucratic agencies have misdiagnosed and treated with the wrong medicine for far too long. Shouldn't we heed the lesson of Kenilworth? **A**

"We should be encouraging already existent community "antibodies" to poverty and distress."

they who will ultimately suffer if the problem of poverty isn't addressed. And the poor know it too. The question is, can we, the American body politic, reassume the responsibilities which we abrogated to the government over fifty years ago?

A Case Study in Success

There are nearly three million people who reside in public housing units in the U.S. Most of them are living in deplorable conditions, plagued by problems of drug abuse, crime, teen pregnancy and welfare dependency. One of the worst examples for years was the 464-unit Kenilworth Parkside Project in Washington, D.C. Up until recently, only two children

allowed them to meet every week. One student who was proficient in math, for example, would tutor another and in exchange would gain help in his or her weaker areas. If members didn't show up for a scheduled study hour, the others would go find them; and at the end of each grading period, their report cards would be posted on the bulletin board.

In seven years, more than 580 students from this single public housing project went on to college. This figure represents more than one student per household and it is improving all the time. At Kenilworth, now managed by residents, teen pregnancies have been cut in half. Welfare dependency is down from 85 to 35 percent. The com-

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