

Why has this come about? Why this institutional bias? I believe we know why. Welfare has become a stigmatized program. Children dependent on it—as many as one child in three before reaching 18—are stigmatized as well. That surely is what institutional bias means.

Our legislation, with 56 cosponsors, is designed to get rid of that stigma by emphasizing child support and the education and training adults need to get off welfare. There has been a great deal of talk about both, but the federal government has really never backed either. Once that stigma is gone, or diminished, states will once again feel the moral obligation to maintain and even increase AFDC payments to dependent children. They are free to do so now. They do not. We want to change this.

Let me declare my own conviction in this matter. AFDC should be a national program, with national benefits that keep pace with inflation, in exactly the same way that Survivors Insurance is a national program with national benefits.

Had the Family Assistance Plan been enacted, we would now have a national program. Had President Carter's Program for Better Jobs and Income been enacted, we would have a national program. As a White House aide, I helped fashion the first for President Nixon. I supported the second in the Senate. Neither proposal became law. Both fell before a coalition of those who thought the benefits were too great and those who thought them too little.

But that is history. Our federal budget deficit is such that there is no possibility whatever of establishing national AFDC benefit standards at this time.

Welfare reform must become the art of the possible or it will become a diversion of the essentially unserious. ■

Order forms for *Focus* and other
Institute publications are at the back.
Subscribe now to our Discussion Paper
Series and Reprint Series.

Please let us know if you change your
address so we can continue to send you
Focus.

The new war on poverty

by Michael Novak

Michael Novak is George Frederick Jewett Scholar in Religion and Public Policy and director, Social and Political Studies, the American Enterprise Institute for Public Policy Research. He chaired the Working Seminar on Family and American Welfare Policy, which produced the report *The New Consensus on Family and Welfare* (Washington, D.C.: American Enterprise Institute; and Milwaukee, Wis.: Marquette University, 1987).

Almost a quarter century has passed since the launching of the War on Poverty, and it is time to pay tribute to those who achieved so much through the efforts there begun. Not everything worked as planned, of course. Still, if we were to imagine the United States in 1988 *without* the programs for the poor put in place since 1964, their condition would certainly be far bleaker than it is today.

Programs for the elderly, for example, have cut deeply into the poverty rate of those older than 65 and have contributed greatly to unprecedented improvements in the health, longevity, and financial security of this important (and growing) segment of the population.¹

For the population younger than 65, poverty programs have also succeeded, if not in reducing the numbers of the poor to something closer to zero, at least in altering the concrete meaning of poverty. Until such programs came into existence, the cash income received by the poor (which determined whether or not they were below the official poverty line) was very nearly the only resource they had. With the addition of new noncash benefits after 1964, perhaps most notably Medicaid and food stamps, the number of those still poor according to the criterion of cash income may not have been as dramatically reduced as first hoped. But the broad distribution of noncash benefits certainly improved the condition of those officially counted as poor. Imagining them without such noncash assistance suggests how much bleaker their position might now be.²

No previous generation of Americans provided so much governmental assistance to the poor as has the generation of 1965–88. Nonetheless, few scholars or activists who have dedicated their lives to helping the poor feel much complacency about what has so far been accomplished. It is obvious that much more remains to be done.

Moreover, there has been for some years a gathering consensus that the body of the poor now suffering most, and in need of most attention, consists of those at the lower end of the age spectrum; that is, poor children under the age of 16, and those of their single parents (typically their mothers) who are themselves of fairly tender age. Special concern is now broadly voiced, in fact, for all single mothers with children. As much as the numbers of the elderly who fell below the poverty line have been reduced since 1965—a true success story—the nation has witnessed, with considerable concern, the growing numbers of children and single mothers who are now falling below the official poverty line. This bloc of the poor now constitutes more than a third of all persons officially classified as poor.³

Poverty and dependency

Perhaps the biggest conceptual shift in the nation's understanding of poverty in the decades since 1965, however, consists in the recognition that the fundamental problem is not well identified by the concept of cash income. If cash income alone were the problem, that problem could easily and fairly cheaply be met simply by augmenting the cash income of the poor, until no one in America had a cash income below the official poverty line. True enough, the official poverty line is an artificial construct, defined by a cash income three times larger than the amount of a food "basket" selected to constitute a "decent" diet. True, too, the use of this single artificial construct across a nation of continental size and immense diversity masks as much as it reveals. (Some who are officially counted as poor are living at levels of decency they have voluntarily chosen, in early retirement, for example, whereas others who are officially above the poverty line are still living in mean and biting circumstances.) Still, if income alone were the issue, the nation could with an annual expenditure of about \$48 billion (as of 1985) simply raise every single man, woman, and child above the official poverty line.⁴ But no one experienced in the field believes that this simple transfer would eliminate the sufferings and deficiencies that burden the actual poor. The needs of many are more than monetary. Such persons need human help of many kinds, often including counseling, training, and the formation of the habits and disciplines that constitute personal independence and the development of self-esteem.

For this and other reasons, attention has shifted from the gross material measure of cash income to a more subtle area of concern, for which the most useful concept so far proposed is "dependency." Three steps are required, however, to make this concept sharp enough to be useful. First, one must recognize that a significant proportion of those officially classified as poor are too young, too old, too infirm, ill, or disabled to be financially independent. Adding together those below the age of 18, those over 65, and the ill or disabled, one reaches a figure that embraces more than half of all the officially poor.⁵ Whatever else one might say, one must observe that such persons are necessarily depen-

dent upon others for their sustenance. Such dependency is wholly natural. It is *not* the dependency that is problematic.

In the second step, one must look more closely at the able-bodied adults among the poor; that is, those between the ages of 19 and 64 who are in good health. These are the citizens who, in the normal course of things, would not only achieve financial independence for themselves but also be providing for those near and dear to them. Their own young and elderly, as well as the ill or the infirm among their kin, normally depend upon family members such as they. Still, even in "the normal course of things," significant numbers of able-bodied citizens are bound to have encountered spells of ill fortune—through business or job setbacks, through large and unforeseen expenses, calamity, or personal tragedy—in such wise as to be rendered, despite their best efforts, either temporarily or for a long time dependent upon others. These, too, like those in the first category above, are dependent through no fault of their own. They need social assistance, and in any good society they have a powerful claim upon their fellows, which must be met.

This step in the argument, by the way, strongly suggests that no society will ever escape the situation in which a significant proportion of its population needs essential and basic help from others. The dream of a dependency-free society is Utopian. The ancient saying has—in this limited sense—the ring of truth: "The poor ye shall always have with you." This dependency, too, is not problematic.

The third step in clarifying dependency is more complex. In the United States since 1965, there appears to be a subset of the second category of citizens above, able-bodied adults between 19 and 64, who are not coping very well with opportunities well within their reach. Not only are they, although able-bodied and adults of working age, dependent upon the public purse. (This is the first precise meaning of the problematic concept of "dependency.") But they are also not coping well with their own lives; they are not exhibiting the autonomy, self-reliance, and personal independence that is proper to citizens in a free society. (Whether this is through their own fault is not at issue. The point is not to judge them, but to grasp their situation exactly.) Their condition would be entirely a matter personal to themselves, and their own private business, except for the fact that by their dependence on the public purse they have made it a public issue. But the difficult truth is that their condition springs primarily from habits they have acquired, from choices they themselves make, from behaviors they permit themselves. They are not meeting, or perhaps without additional person-to-person assistance cannot meet, their own responsibilities.

Consider some examples. Although some have the opportunity (indeed, the legal obligation) to complete high school, they drop out. Although no one commands them to have children out of wedlock, too many do (with damaging consequences for their own lives and those of their children). Although by their own admission, jobs are available to them, some others establish personal thresholds of satisfaction

below which they prefer not to work, and so do not.⁶ Although the abuse of alcohol or drugs is not forced upon them, some fall into such abuse, at least with sufficient frequency as to make steady employment unlikely. Although others in their surroundings seize opportunities to develop the skills and attitudes necessary for steady employment, somehow some do not. For whatever reasons, the lives of still others are too disorganized for them to manage independent living.

No one knows exactly how many able-bodied poor adults are dependent in one or another of these problematic ways. Yet even if their number were only 100,000 or 500,000, the special form of suffering inherent in their condition would cry out for attention. This is especially true if, in addition to themselves, there are children or others who are in turn dependent upon them.

Many of those who have worked with the poor during the past two decades, or who have attended with discernment to their plight, have confronted quite vividly many persons whose cash income marks them as poor, but who have high morale and sound habits and attitudes, and who gladly seize any assistance that will help them to establish their own independence. With advice, training, and a break or two, such persons quickly move out of poverty, just as millions of Americans before them have done in earlier decades. But poverty workers also meet others whose cash income also marks them as poor, but who suffer from much lower levels of morale, motivation, attitude, skills, and behavioral patterns, and who somehow defeat efforts to assist them. Such persons, too, are fellow citizens. They cannot simply be abandoned. But helping them to achieve the independence proper to free citizens is far more difficult, even though they are able-bodied and of mature age. These are the “behaviorally dependent.”

Another circumstance must here be mentioned, because more than any other it has changed the perceptions and convictions of many workers in the field. During the very decades of the War on Poverty, this nation has accepted millions of new immigrants in waves almost as large as in the great decades of immigration earlier in this century. But unlike that earlier migration from Europe, this recent migration has come chiefly from Asia, the Caribbean, Latin America, and Africa. Many if not most of these immigrants have come to America penniless or almost so, often without English and without experience in a modern urban society. Although poor by the criterion of income, they typically do not think of themselves as poor, and they do not intend to remain poor. They do not think of any jobs as “dead-end” jobs. They take what jobs they can and build upon them. Perhaps above all, they place great reliance upon family strength, family discipline, and family assistance. They quickly grasp opportunities abundantly available in this society. Since most of these immigrants are neither of the white race nor of European stock, and since a significant proportion is black, their success has also blunted the salience of race.

Yet another circumstance has contributed to that same end. The sort of behavioral dependency mentioned above has visibly been spreading throughout the rural areas of the United States and among whites. Although still much lower, the proportion of out-of-wedlock births among whites is rising at over twice the black rate.⁷ Many of the same features of behavioral dependency that first drew attention among concentrated poverty populations in large cities have also been discovered in white rural counties and in small towns. On a national basis, it is no longer credible to think of such problems merely in racial or ethnic terms. Moreover, theories about “the culture of poverty” must either be rejected or at the very least adjusted so as to show how a variety of cultures are in fact included.

Changing the public ethos

We come, then, to the question of an intellectual framework adequate to American culture as a whole. To be sure, other advanced democracies are now struggling with analogous issues of behavioral dependency, loss of morale, and a welfare culture. That the rethinking of welfare programs extends far beyond U.S. borders is suggested by the lead with which *The Economist* (April 25, 1987) welcomed the report of the Working Seminar on Family and American Welfare Policy.⁸ While concentrating upon our own American problems, we cannot avoid noting that a very large change in ethos has occurred in recent decades, and not only in our own country.

Too many studies of poverty in the past have been excessively materialistic and have avoided the humanistic problems, social in nature, involved in questions of the public ethos. Moralists, too, have often concentrated on the individual, while ignoring the social dimensions of moral values. It is always very difficult for individuals to swim upstream. When the dominant ethos of a nation changes, so do the difficulties faced by individuals. As we wrote in *The New Consensus on Family and Welfare: A Community of Self-Reliance*:

It is much harder for individual citizens to practice the disciplines of self-restraint and to show resolution in attaining their goals when the ethos around them mocks such efforts. Individual citizens more easily practice personal responsibility when major national and local institutions provide the necessary moral support.⁹

The humanistic dimensions of behavioral dependency must, therefore, be addressed not solely by the actions of the state but by the actions of all of us. To meet the full dimensions of the problem, the whole society must act. The media must be made to recognize their own responsibility for the ethos they daily celebrate, as must schools and universities, churches and voluntary associations of every sort (national, regional, and local). A brave and perceptive social worker in Newark spoke boldly of male responsibility to Bill Moyers in “The Vanishing Family”: “If you say it in your corner, and I say it in my corner, and if everybody’s saying it, it’s going to be

like a drumbeat.”¹⁰ Drumbeats of this sort constitute a public ethos. Such an ethos is of great assistance to those trying to discern what is right.

The studies conducted by the Working Seminar persuaded us that there is considerable help for the poor in three classic, institutional methods of escaping poverty. The statistical profile of the poor shows quite clearly that those who manage to perform three quite elementary acts are very seldom counted among the persistently poor:

- complete high school
- once an adult, get married and stay married (even if not on the first try)
- stay employed, even if at a wage and under conditions below one’s ultimate aim.

It is more important to study the habits of success than to concentrate overmuch upon the habits of those who fail, if only because the latter need to learn what works.

There are, in particular, four powerful reasons for concentrating the nation’s energies upon helping *families*. First, 94 percent of all intact husband-wife households are *not* poor.¹¹ An intact marriage, for several reasons, offers a classic route out of poverty. Second, since officially poor families generally comprise three or more members, assistance given to each family helps several persons at once.¹² This multiplier effect is efficient. Third, families are nature’s own training ground for the habits children must carry forward in their own lives. In the early years of life, so critical to human development, there is no substitute for sound family care. Fourth, the growing numbers of single-parent families and nonformed families, in which children are born out of wedlock, are now the largest and (until recently) fastest growing proportion of the poor. Not even conditions of high economic growth are likely to bring reductions in their number, for the causes of such family life go beyond economics. In addition, the prognosis for the children of such households, whether in terms of health or education or employment, is cause for urgent attention.

Realism and hope

One lesson poverty workers have learned since 1965, perhaps better than any other, is the need for realism. Given the fallibility of human nature, poverty can never in any nation be brought down to zero; humanistic persons will always have to be concerned with the vulnerable. Still, it should be possible to correct those features of our current social life that keep such figures higher than they need to be. One learns from long experience not to work for Utopian outcomes. Real and convincing progress is hard enough.

Thus, suppose that during the next five years we could, by a broad range of methods, help to achieve declines in four areas: (1) in the number of teenagers who become pregnant; (2) in the number of children born out of wedlock; (3) in the number of female-headed households among the officially

poor; and (4) in the number of males who father but do not provide for their children. Suppose, indeed, that by such efforts we could see a real decline in the ranks of the officially poor by at least one million persons, most of them children under the age of 16, even if general economic conditions did not change.

Such success might double back upon itself, creating social momentum to alter the direction of the winds of the public ethos. More favorable winds might push other youngsters in directions rather more beneficial to themselves and to their children. The trends from which our society has recently been suffering are not, after all, commanded by “Nature or Nature’s God,” and they are not typical of our earlier history. Since they are not immutable, what recently changed for the worse can eventually be changed for the better. Free citizens can change their destiny, social and personal.

For such reasons, I am strongly opposed to pessimism and to inaction. What Tocqueville wrote about Americans is still true:

In some countries, the inhabitants . . . set too high a value upon their time to spend it on the interests of the community; and they shut themselves up in a narrow selfishness, marked out by four sunk fences and a quick-set hedge. But if an American were condemned to confine his activity to his own affairs, he would feel an immense void in the life which he is accustomed to lead, and his wretchedness would be unbearable.¹³

Nonetheless, even a few of the available facts show how much Americans have yet to do, both through better designed governmental programs, and through humane efforts in ways and in places that government can scarcely reach:

- Children in poverty are now 3.5 times more numerous than the elderly poor.
- Almost half (46 percent) of children in Aid to Families and Dependent Children (AFDC) in 1983 were born to parents not conjoined in wedlock.¹⁴
- 270,000 teenagers had children out of wedlock in 1983; 229,000 had children in wedlock; and 450,000 had abortions.¹⁵
- Among poor blacks concentrated in high-poverty tracts in the central cities of the nation’s hundred largest metropolitan areas, single-parent families have come to outnumber married-couple families by more than three to one, and illegitimacy rates in some poverty tracts have surpassed 80 percent.¹⁶
- Among households with annual incomes under \$7,500 only 40 percent of burglaries are even reported.¹⁷
- Twice as high a proportion of households of the very poor are burglarized each year as of the affluent.¹⁸

On nearly all these points—and others too numerous to mention—there are also grounds for realistic hope. For one

thing, despite images popularized by television, five-sixths of the poor do *not* live in the high-poverty tracts of the central cities of the hundred largest metropolitan centers. For another, most female heads of households (65 percent) are *not* poor, 66 percent are older than 35,¹⁹ and many (especially the older and more educated) who turn to AFDC after a sudden event such as separation, divorce, or widowhood get back on their own feet within a year or two. Most often they do so through remarriage and/or employment.

Abroad in the land, in any case, is a palpable desire to take up anew the task of reducing the numbers, the sufferings, and the disabilities of the poor. Many share a clearer and more realistic picture of the humanistic dimensions of behavioral dependency. The stage is set for an awakening of all the institutions of society—the churches, the media, employers, labor unions, schools and universities, and professional associations of doctors, lawyers, and others—to tackle the human problems of the poor that government cannot address alone. In government, there are also clearer ideas about how to help, and how *not* to help, poor teenage mothers, female heads of households, and males who father but do not provide for children.

We can hold ourselves to realizable targets and try to get social trends moving again in more favorable directions: fewer teenage pregnancies, fewer out-of-wedlock pregnancies, fewer delinquent fathers, fewer female heads of households left in isolation and without assistance. That will leave us far short of Utopia. But children are the most needy ones, and helping them through helping families is the right place to begin. ■

¹In 1966, the poverty rate for the elderly was more than twice (28.5 percent) what it was in 1986 (12.4 percent) (U.S. Bureau of the Census, *Current Population Reports*, Series P-60, no. 157, "Money Income and Poverty Status of Families and Persons in the United States: 1986" [Washington, D.C.: U.S. GPO, 1987], Table 16). If today's noncash benefits are counted, the poverty rate for the elderly may be as low as 3 percent (U.S. Bureau of the Census, Technical Paper no. 57, "Estimates of Poverty Including the Value of Noncash Benefits: 1986" [Washington, D.C.: U.S. GPO, 1987], Table D).

²In 1986, federal outlays on means-tested noncash benefits totaled \$59 billion, compared to \$32 billion of means-tested cash assistance (U.S. Bureau of the Census, "Estimates of Poverty Including the Value of Noncash Benefits: 1986," Table B).

³In 1966, the 6.9 million persons in female-headed families accounted for 24 percent of the poor. By 1986, there were 11.9 million such persons, accounting for 37 percent of the poor (calculated from U.S. Bureau of the Census, "Money Income and Poverty Status: 1986," Table 16).

⁴U.S. House of Representatives, Committee on Ways and Means, *Background Material and Data on Programs within the Jurisdiction of the Committee on Ways and Means* (Washington, D.C.: U.S. GPO, 1987), p. 638.

⁵The Working Seminar found that 33 percent of the poor (11.1 million) are under 15, and 11 percent (3.5 million) are 65 or older. If the disabled poor (2.8 million age 15 and over) and poor students ages 15 to 17 are counted, the proportion of the poor from whom no one could expect financial self-reliance is easily more than half. See the Working Seminar on Family and American Welfare Policy, *The New Consensus on Family and Welfare: A Community of Self-Reliance* (Washington, D.C.: American Enterprise Institute; and Milwaukee, Wis.: Marquette University, 1987), p. 59.

⁶According to the Census Bureau, in 1986 less than 6 percent of poor persons 15 years of age and over reported they did not work during the year because they were "unable to find work." Calculated from U.S. Bureau of the Census, "Money Income and Poverty Status: 1986," Table 18.

⁷Between 1970 and 1984, out-of-wedlock births as a proportion of all births increased by 57 percent among blacks and 135 percent among whites. Blacks continue to have a much larger percentage of births out of wedlock (59 percent in 1984, compared to 13.4 percent for whites), but since 1981 the number of white children born out of wedlock has exceeded the number of black children born out of wedlock (U.S. Health Service, *Vital Statistics of the United States* [Washington, D.C.: U.S. GPO, annual]).

⁸See "The Deserving Poor," *The Economist*, April 25, 1987. The report of the Working Seminar, *The New Consensus on Family and Welfare*, is available from University Press of America, 4720 Boston Way, Lanham, Md. 20706.

⁹*The New Consensus*, p. 13.

¹⁰Carolyn Wallace, quoted on "The Vanishing Family—Crisis in Black America," CBS television, reported by Bill Moyers, January 25, 1986.

¹¹U.S. Bureau of the Census, "Money Income and Poverty Status: 1986," Table 15.

¹²*Ibid.*, Table 19.

¹³Alexis de Tocqueville, *Democracy in America*, (1838), ed. J. P. Mayer, trans. George Lawrence (Garden City, N.Y.: Doubleday, 1969).

¹⁴U.S. Department of Health and Human Services, Family Support Administration, Office of Family Assistance, "Recipient Characteristics and Financial Characteristics of AFDC Recipients," 1983 (mimeo.), p. 2; also Table 15.

¹⁵U.S. Health Service, *Vital Statistics of the United States*.

¹⁶Richard P. Nathan, "The Concentration of Poor People in Poverty Areas in the Nation's 100 Largest Central Cities," tables for presentation to the New School for Social Research, New York City, November 14, 1986, p. 3.

¹⁷See James K. Stewart, "The Urban Strangler," *Policy Review*, No. 37 (Summer 1986), pp. 6–10.

¹⁸Twelve percent of households earning \$3,000 a year or less were burglarized in 1983, while only 6 percent of households with \$25,000 or more annual income were (U.S. Bureau of Justice Statistics, *Criminal Victimization in the U.S., 1983* [Washington, D.C.: U.S. GPO, 1984]).

¹⁹U.S. Bureau of the Census, "Money Income and Poverty Status: 1986," Table 19; and U.S. Bureau of the Census, *Current Population Reports*, Series P-20, no. 411, "Household and Family Characteristics: March 1985" (Washington, D.C.: U.S. GPO, 1986), Table 9.