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An Inescapable Fact about Poverty

John Hood ~ August 22nd, 2012

RALEIGH — If chronic poverty were easy to prevent, it wouldn't have become chronic in the first place.

I'm not being flippant about the problem. I'm arguing that before North Carolina lawmakers devise another round of policies aimed at reducing the poverty rate, they need to recognize why past efforts fell short of expectations.

It wasn't because federal, state, and local governments failed to spend big money on means-tested programs. They spent, and spend, big money on such programs – hundreds of billions of dollars a year, according to the Cato Institute's latest tally. There is plenty of room for debate about the design and effectiveness of these programs. Most of the tax money flows into in-kind benefits such as Medicaid and public housing, for example, rather than cash grants. Perhaps the mix ought to be different. My point is simply that the nation's welfare system is already very expensive.

Some politicians and analysts believe that there would have been larger reductions in poverty over time had governments spent fewer tax dollars on public assistance and more tax dollars building physical and human capital to make the work of low-income Americans more valuable and, thus, better remunerated in the marketplace. I tend to agree. But that strategy, alone, would still have missed a big part of the problem.

The inescapable fact about poverty – particularly the chronic poverty that has so long resisted amelioration by government intervention – is that it is highly associated with self-destructive behavior.

When people graduate from high school, work full-time, wait until marriage before having children, and avoid alcohol or drug addictions, the likelihood they will spend any significant time in poverty is minuscule – less than 2 percent. The vast majority of those working, sober, married high-school graduates will spend most of their lives living in households with incomes near or above the nation's median income.

On the other hand, for every deviation from these basic rules of upward mobility, a household increases its risk of being in poverty. Violate all of these rules, and your chances of living in poverty rise to nearly 80 percent.

These are facts. They are not assertions or statistical quirks. But how politicians and analysts *respond* to these facts can be most revealing.

Some respond angrily that such talk constitutes "blaming the victim." Others throw up their hands and say that poor people deserve what happens to them. Still others accept these facts and then start trying to design government programs that discourage out-of-wedlock births and encourage unmarried parents to wed.

None of these responses is sufficient to the task, it seems to me. When we observe that young people often make poor decisions that affect the course of their lives, we are not "blaming the victim." We are recognizing something basic about human beings – that we are flawed creatures who make mistakes, particularly when we lack experience, information, or a long-term perspective, as teenagers so often do.

Throwing up our hands won't cut it, either. Like it or not, when young people make self-destructive choices, the consequences aren't limited to themselves. They impose burdens on relatives, coworkers, neighbors, and taxpayers. The welfare state is not going to disappear tomorrow. If people made better decisions in their youth, there would be fewer children growing up without fathers (or mothers), fewer unemployable young adults, fewer addicts needing treatment, and fewer people receiving government handouts.

Still, recognizing that it would be beneficial to reduce behavior-related poverty is not to establish that Congress or the state legislature can pass a few laws and accomplish the task. Reforming our education, substance abuse, and welfare policies will require patience and fortitude. And no government program will ever be able to make successful marriages out of troubled relationships.

Preventing chronic poverty in the future means changing minds and hearts today. That's primarily a job for family, friends, and faith, not politics.

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