



## COMMENT: The War on the Poor

By David Livingstone

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The conservative movement in the US and Canada is maintained by the CIA and a legion of “think tanks” mainly funded by the oil industry.<sup>[1]</sup> To their purposes, they support the myth of a “communist” conspiracy in order to wage war on the poor, to eliminate obstacles to the further accumulation of wealth by the rich.

Communism, however, is a red herring. The real threat is the pernicious "greed is good" ideology of neoliberalism.

Their ruse is to criticize any government strategy devised to alleviate the plight of the poor and the needy as “socialism” or “communism.” Communism may have proposed one particular approach for redistributing wealth, but it certainly didn’t invent the idea. Rather, the notion of charity is as old as humanity, and commanded as the first obligation of every major religion in history.

The first welfare programs were instituted under Judaism. It was Christianity that civilized pagan Europe with principles of compassion now known as “humanitarianism,” introducing notions of education, public health care, orphanages, programs for the poor, and so on, all services that were given a further level of sophistication under the religion of Islam. But with the demise of religion in the West, the proverbial baby is being thrown out with the bathwater.

The reality is that the CIA serves the interests of the moneyed elite, and achieve their con by exploiting conservatism as a Trojan Horse. As Ribuffo noted, “What Americans now call conservatism much of the world calls liberalism or neoliberalism.” They have recruited droves of naïve Americans and Canadians into denouncing social programs as “communism” and taxes as an infringement of our “liberties,” thus ultimately supporting policies that facilitate the reduction in taxes on the rich, and avail services traditionally provided by the government—such as such as education, health care, social programs and even the penal system—to their further profit-making through privatization.

However, like the idea of charity itself, greed and its excuses are also as old as humanity. Over recent centuries, there has been an attempt to gain popular support for such a perverted view of reality. In the eighteenth century, Adam Smith, reverently hailed as the “father of economics,” put forward the mythology that the selfish pursuit of wealth creates prosperity for all. Following his example, in the late twentieth century, the leading “think tanks” are fostering various

prejudices against the poor, insinuating that their poverty is largely a consequence of their own fault.

The most dishonest myth spread about the exploitation of welfare was expressed by Ronald Reagan during the 1976 campaign trail. Known as the “Welfare Queen,” he related the story of a woman from Chicago's South Side who was arrested for welfare fraud. "She has 80 names, 30 addresses, 12 Social Security cards and is collecting veteran's benefits on four non-existing deceased husbands. And she is collecting Social Security on her cards. She's got Medicaid, getting food stamps, and she is collecting welfare under each of her names." However, a number of investigative reporters attempted to discover her identity to no avail.

The suggestion that spending on social programs is wasteful is disingenuous. Approximately 50% of the US government budget is for military expenditures.<sup>[2]</sup> Conversely, in 1992, welfare and food stamps amounted to only 1 percent of the combined state and federal budgets.<sup>[3]</sup> If the definition of "welfare" is expanded to include all one-way transfers of benefits for which no services or repayment are required in exchange—such as student grants, school lunches and pensions for needy veterans—then welfare comprises only 12 percent of the combined budgets.<sup>[4]</sup>

And yet, a study by the right-wing Cato Institute claimed to prove that welfare paid better than work, and therefore encouraged recipients to stay on welfare. However, the study was later shown to be flawed.<sup>[5]</sup> A study in Massachusetts showed that it was not recipients but vendors who committed 93% of welfare fraud. Surveys conducted found that welfare payout is less than a full-time minimum wage job and, contrary to growing prejudices, that the majority of those receiving welfare assistance would rather work than receive benefits.<sup>[6]</sup> The vast majority of people collecting some kind of temporary assistance, including employment insurance, receive benefits for less than two years.

The troubling truth of the matter is that the vast majority of people receiving Medicaid, SNAP, and other kinds of financial assistance already have a job. Some have two jobs.<sup>[7]</sup> There is no city in the United States where a person earning minimum wage can afford a market rate apartment.<sup>[8]</sup>

There is also a prejudice that women on welfare are encouraged to have more children in order to increase their benefits. But, the average family receiving assistance has 2.8 kids. Most families receiving benefits have only two children, while only one in ten have more than three children.

As studies repeatedly demonstrate, poverty is a result of wealth inequalities, certainly not “laziness.” Two recent studies, published in the *British Medical Journal*, examined all 50 states in the US. Each study defined a measure of income inequality and compared it to rates of disease and other social problems. Consistently, it is the gap between rich and poor, and not the average income in each state, that best predicts the death rate in each state.

States with greater inequality also had higher rates of unemployment, higher rates of incarceration, a higher percentage of people receiving income assistance and food stamps, and a greater percentage of people without medical insurance.<sup>[9]</sup> Pertinently, states with greater

inequalities also spent less on education per capita, and had poorer educational performance, including poorer reading and math skills, and lower rates of completing high school.

Tragically, the largest single group on welfare is children. About one in every four children under the age of 18 receives welfare benefits. America has the greatest level of child poverty anywhere in the industrialized world. The percentage of children below the poverty level has risen from 15% in 1970, to 21% in 1992.<sup>[10]</sup>

Tellingly, in 1990, the poorest income group (under \$10,000 a year) actually contributed the highest share to charity: 5.5 percent.<sup>[11]</sup>

When it comes to a choice between Left and Right, the answer is, as is most often the case in these matters: somewhere in the middle. In other words, the Golden Mean. Some things can be catered to through private interests, but when it comes to essential human needs, the profit motive not only doesn't apply, but introduces the very dangerous threat of conflict of interest. Like a pusher and his clientele of addicts, a private health care system would profit from people being ill; a penal system from people being incarcerated; an educational system from ignorance, and welfare from poverty.

It's high time we stopped buying into the anachronistic Cold War propaganda about "communism," and rediscovered the saner principles of social democracy, where the government ensures essential social services, and leaves the rest to the formidable wealth-creating potential of the profit motive.

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