

## A Bipartisan Consensus on How to Fight Poverty?

*In an otherwise bitterly partisan political environment, two recent policy proposals from both sides of the aisle share core ideas for reforming anti-poverty programs.*

By Arnold Kling

August 6, 2014

Two recent comprehensive policy proposals for reforming the government's approach to fighting poverty — one from a center-left think tank, the other from Republican Congressman Paul Ryan — seem to share some core ideas. Does this represent an opening for some rare bipartisanship?

In June, the Hamilton Project released a free e-book, *Policies to Address Poverty in America*, edited by Melissa S. Kearney and Benjamin H. Harris. In July, Ryan's House Budget Committee put out a “discussion draft,” *Expanding Opportunity in America*. Each represents a serious, broad attempt to improve anti-poverty policy.

Ryan's approach centers on consolidating many existing programs into a single block-grant to states, giving states the flexibility to experiment with new ideas, and allowing them to allocate funds away from programs that are not cost-effective to programs that work well. The Hamilton Project e-book consists of 14 chapters, each with policy suggestions in a specific area.

Here are what I see as the common threads in the two policy proposals:

1. The past 50 years of fighting poverty have been only partially successful. We can learn from what worked and from what did not work. We still have much to learn about dealing with poverty. Experimentation needs to continue.
2. Going forward, programs must be evaluated rigorously for effectiveness. Ryan's draft says, “there is a tendency to measure success by how much the government spends on programs or how many people it spends money on. That should not be the measure of success.” In the Hamilton Project volume, there is an equal disdain for measuring success based on inputs or intentions rather than on results. Each chapter in that volume includes a section on assessing costs and benefits of its specific proposals. As the Ryan draft puts it,

“This proposal calls for a commission to examine the best ways to encourage rigorous analysis of our safety-net programs.”

3. While the federal government should provide funds, anti-poverty programs are typically best designed and implemented at lower levels. State and local governments, as well as non-governmental organizations, are better able to identify individual needs and obtain necessary buy-in.

There seems to me to be a close alignment of Ryan's block-grant approach with the many instances in which the authors of the Hamilton Project volume propose flexible, low-cost, small-scale, locally administered programs, rather than large-scale, federally administered universal solutions. In addition, I was struck by the way that both Ryan and the Hamilton Project focus on rigorous evaluation of results as well as the need for further experimentation. Below are some examples taken from the Hamilton Project volume of the need for more rigorous evaluation of programs:

- Elizabeth U. Cascio and Diane Whitmore Schanzenbach, looking at expanding access to pre-school for disadvantaged children, write that “a universal, high-quality program may yield no academic gains beyond a targeted one.” They also write that “classroom observations of the interactions between teachers and students ... are more predictive of test-score gains than are other inputs measures such as teacher education or class size.”
- Ariel Kalil, in discussing “the parenting divide,” writes, “Unfortunately, large-scale parenting interventions in the United States yield modest results at best and do not often change children's cognitive or behavioral skills in the long run ... An evidence and innovation agenda that helps policymakers identify and invest in what works is crucial.”

And here are examples from the Hamilton Project of why locally administered programs are better:

- Isabel Sawhill and Joanna Venator, in advocating a social marketing campaign to encourage young women to use long-acting reversible contraceptives to prevent unwanted pregnancy, write, “there needs to be local buy-in.” They propose that federal grants for such programs should be conditional in part on “whether the state has sought and obtained local buy-in.”
  - Phillip B. Levine, in discussing mentoring programs, finds that many such programs have low levels of engagement. However, “a traditional mentoring program of the community-based type, such as Big Brothers Big Sisters, is the approach most likely to be successful in improving subsequent labor market earnings among disadvantaged youth.” Consequently, he proposes “that NGOs and private-sector entities consider expanding mentoring programs of the community-based form.”
  - Amy Ellen Schwartz and Jacob Leos-Urbel, in advocating summer youth employment programs, write, “We propose that the federal government make grants to state and local governments to work with local community-based organizations on the expansion of summer job programs.”
  - Bridget Terry Long gives a stern assessment of remedial education offered by colleges. She writes, “Students are forced to pay college-level prices for high school-level courses,” and that “remediation programs do not do a good job of improving students' outcomes.” She offers some suggestions to improve remediation programs, but she also emphasizes

that high schools could do more to prevent the need for remediation by identifying and addressing gaps before students graduate. Her recommendations “focus on actions that could be taken by states, university systems, and school districts.”

— Robert I. Lerman, in discussing why apprenticeships are less prevalent in the United States than in other countries, says that one barrier is “the asymmetric treatment of government postsecondary funding, with college courses receiving financial support and courses related to apprenticeship programs receiving little financial support.” For many young people who learn best by doing, apprenticeships would appear to offer a path to acquiring skills that cost much less than classroom-only education. He notes that when South Carolina promoted collaboration with technical colleges while offering tax credits for employers to hire apprentices, “The costs per apprentice totaled only about \$1,250 per calendar year, including the costs of the tax credit.”

To be sure, there are chapters of the Hamilton Project volume, such as the work-sharing proposal by Katherine G. Abraham and Susan N. Houseman, that I did not find convincing. In addition, I was struck by some important omissions. For example, Schwartz and Leos-Urbel, even though they pointed out that summer youth programs tend to attract more applicants than available slots, say nothing about the role of minimum wages in exacerbating the job shortage. And Lerman, in listing barriers that limit the use of apprenticeships in the United States, fails to mention the increased role of occupational licensing in forcing unnecessary classroom time on would-be workers.

Overall, however, I come back to the strong impression I have that much of the Hamilton Project agenda dovetails nicely with what Congressman Ryan has proposed. In an otherwise bitterly partisan political environment, this would seem encouraging.

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