

# THE DAILY CALLER

## Paul Ryan's poverty plan charts a moderate path, not a conservative one

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The House Budget Committee chaired by Congressman Raul Ryan [released a 204-page report](#) on federal welfare programs Monday. It provides useful discussions of 92 programs that cost taxpayers \$799 billion a year.

The report drives home how immense the federal welfare state has become. You've probably heard of EITC, TANF, LIHEAP, and SNAP, but how about CCDF, WIA, SSBG, NSLP, SBP, CACFP, HOME, HAG, and CDBG? These are all multibillion dollar welfare programs that you as a taxpayer are funding.

The *Washington Post* called the Ryan report a "blistering" and "stinging" critique, but it is far from that. Indeed, Ryan's report is a centrist analysis of welfare, not a conservative or libertarian one. The report generally points out minor problems with programs based on the polite criticisms of federal auditors and liberal researchers. The report often omits fundamental critiques of programs offered by pro-market scholars and think tanks.

Ryan's report has 48 pages on housing programs, for example, but does not ask basic questions such as whether there are market failures that justify any of the government's housing interventions. The [Manhattan Institute's Howard Husock](#) has written about how private markets are able to supply low-income housing and did so historically, but Ryan's report does not address these basic questions.

In fact, it is generally devoid of citations of conservative and libertarian think tanks. The American Enterprise Institute apparently provided input to the Ryan study, but AEI is cited once in 204 pages while liberal think tanks are cited many times.

The reliance on liberal sources appears to have led to the omission of many arguments. The report has two pages on the low-income housing tax credit, for example, but it does not mention an important critique in [this AEI book](#), which is that developers may pocket the benefits of the program, leaving low-income renters no further ahead.

Ryan's discussion of the WIC program does not mention that [the program induces mothers to use baby formula](#), which is directly counter to government's own advice about the advantages of breast milk. Similarly, Ryan's food stamp discussion does not mention that [billions of dollars are probably being spent on junk food](#), obviously contrary to government's own advice on healthy eating.

When the Ryan report does cite the shortcomings of programs, it generally downplays them. For example, it says that "public housing is not the most effective method of providing low-income housing assistance." But if you look at the historical impact of public housing, "total disaster" is a better description of the program.

The report's section on federal job training hardly mentions the [Government Accountability Office finding that](#) "little is known about the effectiveness" of these programs. But that is a major [finding](#) — taxpayers have been paying billions of dollars a year over decades for these programs, so if the government still doesn't know if they work, then they ought to be abolished.

The introduction to Ryan's report does discuss general problems with welfare programs, such as work disincentives. But most of the report examines individual programs in a very accepting manner — as if we all agreed that we just need to make them work better.

Thus the report finds that the \$900 million Rural Rental Assistance Program "has not succeeded in alleviating rental burdens of rural populations," which leaves the impression that if only the government spent more then it could better solve the problem.

The key problem with the Ryan report is that it does not raise fundamental questions about spending. Do these 92 welfare programs violate the limited powers authorized to the federal government under the U.S. Constitution? Are there any advantages in federal intervention in these 92 activities, or should they be left to the states? Could private charities better handle these activities?

Ryan focuses on whether or not programs are "effective," but his report does not compare the benefits programs might have to the economic damage caused by the taxes needed to pay for them. And he does not examine the moral question: if experts deem programs to be "effective," does the government have an automatic right to expropriate our earnings to fund them?

In sum, the Ryan report provides a useful introduction to the vast federal welfare state. Ryan and his staff should be applauded for starting a discussion about spending on all these specific programs, rather than just complaining about spending in general, as many Republicans do. I also applaud Ryan for including poverty spending reforms in his upcoming budget.

However, people will need to go elsewhere to find fundamental critiques of welfare programs by all the conservative and libertarian scholars that Ryan left out.

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