

The Poor Want More Opportunity, Not More Entitlement Spending

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It probably won't come as much of a surprise to learn that most Americans regard the War on Poverty as a failure. According to a new YouGov poll, conducted for the Cato Institute, 77 percent of Americans call it "ineffective." This includes 80 percent of Republicans and 72 percent of Democrats. In this age of political polarization, that represents an extraordinary bipartisan consensus. But what many might find to be even more extraordinary is that the vast majority of poor Americans agree, too. Fully 63 percent of people receiving welfare today say that the War on Poverty has not succeeded. Given the \$26 trillion that the United States has spent fighting poverty since Lyndon Johnson declared war on it in 1965, that's a scathing indictment.

Of course, the poor may think the War on Poverty failed because \$26 trillion wasn't enough. Maybe they worry their benefits are simply too low. That's not the case. When asked whether the government had the ability to end poverty even with unlimited spending, 58 percent of welfare recipients said that it could not.

So what do the poor think the government should do to help them escape poverty? An overwhelming 59 percent of welfare recipients say that the government should focus on eliminating the underlying causes of poverty, as opposed to "giving what money we have to poor people to help them get on their feet." Most significantly, 76 percent of welfare recipients believe that increased economic growth will do more to reduce poverty than would increasing welfare spending. In fact, welfare recipients were more likely to prefer economic growth than registered Democrats (67 percent).

In other words, those candidates who are calling for higher taxes, increased business regulation, and more redistribution are out of touch, not just with sound economic policy, but with the wishes of those they are ostensibly trying to help.

Of course, this does not mean that the poor don't see barriers to their ability to become full participants in a growing economy. But contrary to conventional wisdom, most of the problems they identify are a result of failed big-government policies.

For instance, even if economic growth creates more jobs, government policies may still make it hard for the poor to find employment. To cite just one example, fully 45 percent of welfare recipients and 46 percent of the unemployed said that the lack of an occupational license or similar credentials prevented them or someone they knew from getting a job.

The poor also recognize that the government school monopoly has let them down. In fact, 55 percent of welfare recipients would prefer to send their child to a private school rather than the local public school. As a result, welfare recipients are more likely than the general public to support school vouchers (67 percent of welfare recipients vs 58 percent of Americans overall).

Overcriminalization, mass incarceration, and bias in the criminal-justice system are also a problem for the poor, with 23 percent of welfare recipients (and 22 percent of the unemployed) telling us that a criminal record has prevented them from finding a job. African Americans, as a whole (15 percent), were more likely to find a criminal record an obstacle to being hired than whites or Latinos (6 percent).

The poor also find it difficult to move to areas with more jobs, better schools, and less crime. Seventy-eight percent of welfare recipients report that high rents and housing costs have prevented them from moving to a better location. Given that government policies, particularly zoning and land-use laws, can add anywhere from 10 to 50 percent to housing costs, it is fair to say that big government is “ghettoizing” the poor.

All of this suggests that both the Left and Right have been misreading the poor. The Left assumes the poor are helpless victims that need to be taken care of, while the Right sees them as lazy “takers” seeking more handouts. It’s a debate built around the level of redistribution and government benefits, and it is the wrong debate, based on pernicious stereotypes on both sides.

In reality, the poor, like everyone else, simply want an opportunity to succeed in a growing economy. That means an agenda based on removing government barriers to success — an agenda based on limited government, free markets, and giving people more control over their lives. Politicians who speak to that agenda might find themselves with more support than they’d have thought.

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