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## The Conservative and Liberal Debate Over the Success or Failure of Welfare Programs in the United States

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THE CONSERVATIVE AND LIBERAL DEBATE OVER THE  
SUCCESS OR FAILURE OF WELFARE PROGRAMS IN THE UNITED STATES  
OF AMERICA

John L. Rhoads, B.S.

An abstract Presented to the Faculty of the Graduate  
School of Lindenwood College in Partial  
Fulfillment of the Requirements for the  
Degree of Master of Business Administration

1995

## ABSTRACT

This thesis will focus on the debate between liberal and conservative authors concerning the success or failure of the welfare state in the United States of America.

During the 1960's, government involvement expanded greatly through President Lyndon Johnson's great society programs. These programs were designed to alleviate poverty and promote self reliance amongst the poorest segments in society. Overall these programs were accepted by both the general populus and those in government as the morally "right" thing to do.

As time went by, and expenditures and involvement increased, debate surfaced as to how well these programs were doing in achieving there stated goals. The conservative argument claims that these programs have failed at there stated objectives and the answer to poverty is best suited in the private sector economy. The liberal argument claims that while these programs are not perfect, they are a much needed element in society and are best administered by the government.

The purpose of this research project is to determine the objectives of the welfare state and compare the arguments between conservative and liberal researchers.

It is hypothesized that the conservative argument that the welfare state has failed at its stated objectives is more solidly supported than the liberal argument claiming the success of the welfare state.

Results from the leading authors both conservative and liberal produced considerable evidence that the hypothesis be accepted and conclude that the welfare state, born from the great society programs of the 1960's, has failed at its stated objectives.



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## TABLE OF CONTENTS

List of Tables.....	iv
I. Introduction.....	1
War on poverty.....	1
Major programs.....	3
Summary.....	9
Statement of Purpose.....	11
II. Literature Review.....	12
Statement of Hypothesis.....	38
III. Selective Review and Evaluation of Research.....	39
Research Methods.....	46
Experimental Control.....	47
Research Conclusions.....	49
IV. Results.....	52
V. Discussion.....	59
Summary.....	61
Limitations.....	63
Suggestions for Future Research....	65
Works Cited.....	68

Vita Auctoris..... 70

List of Tables

Table 1. Evidence of the Welfare State's failure..... 53

Table 2. Payment schedule to unwed mothers receiving AFDC..... 56

Table 3. Comparative poverty rates among families headed by single mothers and those headed by married couples... 57

Chapter I  
INTRODUCTION

The War on Poverty

During the 1950s and the early 1960s, the United State's economy enjoyed a long period of economic growth. Steady gains gave hope of genuine progress for every part of the economy. President Kennedy seemed to promise that as he called for intensified economic growth with the old chestnut: "A rising tide lifts all boats." (Greene 72).

With the assasination of President Kennedy in 1963 and the resulting Presidency of Lyndon Johnson, the War on Poverty intensified. In the Spring of 1964 after completing a tour of the poverty-struck Appalachian area, President Johnson preached a strong anti-poverty sermon to the hard-bitten businessmen of the United States Chamber of Commerce in Washington on April 27, 1964:

I don't know how many of you live on the side of the track where you even see this (poverty). I wish you could have gone with me and looked into their eyes and seen the faith and hope that they have in their country, when I traveled into Pittsburgh and saw the unemployed steelworkers, and into South Bend and saw the eighty-three hundred men all of whom lost their jobs Christmas-Eve-auto workers-and into eastern Kentucky and West Virginia and saw the unemployed miners. One man with eleven children told me that he had four days' work last month at four dollars a day, not because he does not want work but

because it is not there...

So I have gone into these schools and these slums and I have seen these insidious enemies of a stable economy and the ones that really promote recessions and inflation. I want to tell you that no segment of our society has a greater stake in these people than the folks who are well enough, can afford to come to Washington, and belong to the United States Chamber of Commerce. (Evans, Novak 431)

With this speech, President Johnson clearly set the tone for Government intervention into the alleviation of poverty in the United States. Whether or not this has proven beneficial over the last thirty years is the problem to be addressed.

#### Historical beginnings of government assistance programs

Different from Roosevelt's New Deal, which had confronted vast unemployment and a national emergency among blue-and white-collar workers, Johnson's war on poverty targeted the hard-core poor (Califano 75).

President Johnson's war on poverty programs were met with widespread public support; almost as if it were a moral obligation for the affluent in society to help those who were economically deprived.

At the center of the war on poverty effort was the newly formed Office of Economic Opportunity (OEO), headed up by R. Sargent Shriver. The OEO's purpose was to coordinate a plethora of new anti-poverty programs.



Shriver sought massive federal financing for the efforts to improve economic conditions for the poor. In 1966, Shriver submitted a five-year plan that called for \$28 billion for the OEO itself and another \$152 billion for such antipoverty programs as manpower development and training, education, and Food Stamps (Greene 74).

#### The Major Programs

Programs to aid the poor fall into one of three classifications: social insurance, income support, and job creation (35).

Social-insurance programs provide assistance to people, most of whom have contributed to the financing and who meet certain eligibility criteria not related to their financial need (35). The largest of these programs is the Social Security System. Originally designed as a form of insurance, this program was not intended to provide benefits according to financial need. Instead, working people would contribute wages into the system and receive benefits according to their contributions at a later date.

Social Security was not intended to be a form of insurance, under which a person's contributions would be invested and used later to pay his or her benefits.



In fact, today's workers contribute to the benefits paid to today's recipients, and they must expect that tomorrow's workers will take care of them. Over the years, the program has been continually expanded (35).

Another social insurance program is unemployment compensation. Under this program, an unemployment trust fund is funded from employee's federal and state taxes via payroll deduction. The program is designed to compensate those who have contributed to the program in times of unemployment.

Income support programs were designed to help those whose income falls below the government set poverty line.

The most well known program is the Aid to Families with Dependent Children (AFDC). The intention of this program is to insure that children in families where there is little or no earned income are guaranteed a minimal budget for survival. Under AFDC, cash aid is usually given to families headed by woman, on the theory that she must stay home with the children and cannot be expected to work outside the home.

Supplemental Security Income (SSI), a part of Social Security, is designed to supplement blind and disabled people, and those 65 and over if their incomes fall below a nationally set income level.

Another income support program is the Food Stamp

program. This program is designed to help low income families purchase food with coupons issued and distributed by the government. This program is designed not only to help the poor, but also the farmers who gain additional outlets for their products through its operations (36).

Other nutritional programs were also designed to help low income families; the best known being the school lunch and school breakfast programs.

Medicaid is another program designed to help those who fall below the poverty level. Under Medicaid, medical care is provided to low income families based on an ability to pay. The program serves as a subsidy to assure that medical care is affordable to low income families (Mead, 32).

Among the other major benefit programs are housing assistance, basic education-opportunity grants, social-service grants, and veterans' pension programs (Greene, 37).

Job creation programs are designed to employ certain segments of the population. Some employment programs are targeted especially at the poor. CETA, the Comprehensive Employment and Training Act, provides public service jobs to low income people. The work-incentive (WIN) program has been used to provide training and job-placement services to those on welfare, and it gives employers a tax incentive to hire the poor (Murray, 48).

These are merely the largest and best known of the programs that are commonly called welfare. There are literally thousands of government run programs designed to help alleviate poverty but the focus of this discussion shall be on the aforementioned programs.

### The War on Poverty

While President Johnson's trip into the Appalachian foothills gave him a first hand, eyewitness account of poverty in America, it is important for the reader to understand other factors involved in the launching of the War on Poverty; namely, the social and political climate, economic situations, and welfare costs.

### The Social and Political Climate of the 1960's

During the 1960s, the social and political climate changed dramatically from the passive nature of the 1950s.

The Government, led by President Johnson's anti-poverty programs, became more active in the welfare of the economically underprivileged. The civil rights movement reached its peak in the mid 1960s. Problems in the inner cities such as crime, decay, and violence had all become social and political hot topics. Above all, the



majority of the populous agreed that a solution to these concerns rest within the Government.

### Economic Situation

The United States population in 1964 consisted of one hundred ninety one million, one hundred forty one thousand people; of these, eighteen million, one hundred and twenty one thousand were aged 65 or older (Current Population Reports United States Census, #721).

The total number of people in the United States living at or below the Federal Government's poverty line in the year 1964 was 36 million. This represented 19 percent of the total population. The figures for those aged 65 and older were not available (United States Bureau of the Census, #134).

### Welfare Costs

The total amount of funds expended by the Federal Government in the year 1964 was \$92,568,000 (SAUS-81,518). The breakdown of how these funds were allocated is as follows:

Social insurance:	\$54,717,000
Public aid:	\$8,502,000
Health and Medical programs:	\$7,286,000
Veteran's programs:	\$15,485,000
Education:	\$4,293,000
Housing:	\$562,000
Other Social Welfare:	\$1,723,000

Whether or not the War on Poverty is working is open to much debate both politically and socially. Greene says , "Our welfare system has not abolished poverty, and it has actually led to an increased dependency on the Government" (Greene, 108). Raspberry claims:

I have lost count of the number of welfare-reform proposals under consideration by Congress or being urged on it by one expert group or another. What sticks in my mind, aside from the fact that virtually all of them have some provision for "workfare", is that none of them can work. (Raspberry, 92)

Limbaugh says "Welfare and other "entitlements" victimize not only the person whose wealth is being confiscated to pay for them, but also the self-worth of most of the people receiving the so called assistance" (Limbaugh, 102). Talent, a conservative United States Representative from Missouri claims "The current welfare system has all but destroyed the family in low-income communities, roughly 30 percent of all children in America are born to unmarried women, and this figure is nearly 80 percent in many low-income urban communities" (Koenig, 1).

While the preceding opinions clearly project an attitude that the War on Poverty has been a failure, there are two sides to the debate.

In a recent debate among Federal Legislators, Representative Lynn Woolsey, D-California, proclaimed:

It was 25 years ago, but even today, my face is the face of a typical welfare mother. I desperately needed public assistance in order for my family to survive. I was on welfare for three years when my marriage broke up and left my family without child support and without healthcare. (Woolsey, 11)

Representative Woolsey can attest from personal experience that the welfare system does provide needed assistance to a certain segment of the population.

Another argument presented supporting welfare programs is found in a recent report published by the National Commission for Employment Policy. The report states that "Government training programs are moving limited numbers of single mothers off the welfare rolls and into jobs". The report further states that "the program can be even more successful if tailored to each parent's individual needs" (National Commission for Employment Policy).

#### Summary

The War on Poverty was implemented in 1964 by the Johnson administration. It consisted of an array of Government programs designed to help those, through no fault of their own, suffering from economic hardship.

These programs were met with widespread public support as if it were a moral responsibility to assist those who needed help.



While there are literally thousands of assistance programs in existence, the major programs consist of social insurance programs, income support programs, and job creation programs.

The War on Poverty was waged and expanded during the turbulent 1960s. The political and social atmosphere was that of activism. Economic problems, inner city problems, and the civil rights movement had become hot political and social topics. Most agreed that the answers to these problems could be found in greater Government intervention.

The population in the United States in the year 1964 was one hundred ninety one million, one hundred forty one thousand. Of these, approximately 36 million lived at or below the official Government poverty level.

Based on these figures, the Federal Government allocated \$92,568,000 to programs designed to alleviate poverty in America.

Whether or not the War on Poverty is working subject to great political and scholarly debate. There are many arguments supporting the current welfare system, as well as many arguments calling for an end to the welfare system as it currently exists.

There is also much discussion on welfare reform. President Clinton has proposed a two years and out policy

designed to wean people off the welfare system by enhancing poor people's job skills and education, instilling a work ethic in welfare recipients and "making work pay" by increasing incentives and benefits for the working poor (Carnevale, 11). Under this plan, those receiving welfare benefits will receive job and education training. After two years, the recipient's benefits will be cut off. The idea being that the recipient will have acquired the necessary education and skills to enter the workplace and become a productive citizen.

#### Statement of Purpose

It is the purpose of this thesis to examine and analyze the War on Poverty from its inception and determine through statistical data if it has accomplished its set goals of alleviating poverty in the United States of America.



## Chapter II

### LITERATURE REVIEW

The War on Poverty, launched by President Johnson in 1964, was designed to "help those who, on their own, had no chance of getting their fair share of economic growth" (Califano, 75).

Different from the social programs initiated during the Great Depression of the 1930s, which had confronted vast unemployment and a national emergency among blue-and-white collar workers, Johnson's War on Poverty targeted the hard core poor.

The people I want to help are the ones who've never held real jobs and aren't equipped to handle them. Most never had enough money and don't know how to spend it. They were born to parents who gave up hoping long ago. They have no motivation to reach for something better because the sum total of their lives is losing. (76)

While the goal of these programs was to alleviate poverty and promote self reliance among the hard core poor, the success, or failure of these programs is debatable.

Over the last decade, the welfare state has become the target of a concerted political ideological attack (Block, Cloward, Ehrenreich, Piven, 2).

On the political right, the same themes are reiterated in discussion of the welfare state: that social welfare programs are a drag on the economy, an incentive to immorality, and a cruel hoax on the needy themselves.

On the political left, the argument seems to be that of having a moral responsibility to lending assistance to those, through no fault of their own, are economically and socially deprived.

Of course there are those who fall between these two extremes, but those numbers have seemingly been in decline over the last decade.

The debate among these two political factions centers around the overall success or failure of the great society programs. The political right argues that these programs have failed miserably and, in present form, are a great waste of taxpayer's money. The political left argues that these programs are necessary and are a good investment of taxpayer's dollars.

### Historical Beginnings

Prior to the Great Depression that afflicted the United States Economy during the 1930s, there had been a basic assumption that the operation of a free market economy would provide maximum welfare for all citizens, and that no tinkering by government can improve upon this set

of conditions (North, 172). Under the Roosevelt administration, this argument was swept aside in favor of one that maintained that governmental action could substantially improve the welfare of members of society. The most far reaching of this legislation dealt with the security of the individual. The security that once had depended upon close family unity was gradually disappearing in the face of the impersonal characteristics of an evolving market economy (Brown, 857). The aged and the sick could no longer depend on the family or local charities for security. Young people tended to underestimate what their needs would be in old age. A primary objective of a social security program was therefore to make provision for old age security from the beginning of employment. With this objective in mind, Congress passed laws on old age insurance, unemployment insurance, and workmen's compensation laws- all aimed at providing security for individuals under various kinds of duress and over various periods of their life (North, 173).

Throughout the 1940s and 1950s, expansion of welfare programs was minimal; cost of living adjustments and enrollment of citizens to existing programs accounted for what little growth did occur.

Along with John Kennedy's narrow electoral victory in the 1960 Presidential election came a widespread



public feeling that America needed more national leadership to deal with its domestic problems (Jencks, 3).

Persistently high rates of unemployment in depressed areas such as Appalachia and among the poorly educated workers almost everywhere were also a national concern, and many thought that the federal government should take the lead in fashioning a solution. Perhaps most important, blacks had begun to challenge de jure segregation in the south, evoking a violent response from white supremacists. As a result, a growing number of northern whites wanted the federal government to outlaw overt racial discrimination. Congress refused to act on President Kennedy's proposals for dealing with these matters, but after Kennedy was killed and Lyndon Johnson became president, it passed a flood of new social legislation (4).

Unlike the groundbreaking legislation of Roosevelt's New Deal which was designed to prevent the non-poor from falling into poverty, Johnson's great society programs were mainly concerned with helping the poor rise above poverty.

As previously stated, the debate over the success or failure of welfare programs has become politically divided among conservatives and liberals. It is necessary to present both the conservative and liberal argument in trying to determine the effectiveness of the war on poverty.

### The Conservative Argument

As previously mentioned, the conservative stand on welfare programs is that they create a drag on the economy and do little to promote self sufficiency. In fact the argument is more likely to illustrate how these programs actually promote dependency on the government rather than provide the means to become self sufficient. By examining writings by the leading conservative thinkers this point can be more clearly illustrated.

Thomas Sowell is one of the most conservative syndicated columnist today. In his recent writings he examines the current welfare state and the proposed reforms set forth by the Clinton administration. According to Sowell:

President Bill Clinton's "new" welfare reform repeats almost verbatim Lyndon Johnson's arguments 30 years ago that the government could end welfare by "investing" in the "retraining" of people so that they could get good jobs and stay off welfare. Far more people are living off the dole today than in his time. Now, Clinton claims that his multi-billion-dollar program will "end welfare as we know it." (7)

By pointing out that more people are living off the dole today than when the Johnson administration implemented the great society programs, Sowell is proclaiming that these programs have been a failure in achieving the goal of promoting self sufficiency.

Sowell further offers reasoning as to why these

programs have failed.

Why don't these programs work? They don't work because the assumptions on which they are based are false. Lack of education and skills are not the problem. They are the symptoms. (7)

To illustrate his point, Sowell explains that work, taking a job however menial, is the ticket off the welfare doles. He points out that "people cross the Mexican-American border (legally or illegally) into this country all the time without any great education and skills- and go right to work (7). Sowell further explains that many-if not most-of the people in the top income brackets in this country have started out in jobs that would be considered menial (7). Sowell rejects the argument that people are helpless pawns in the game of life- unless they are rescued by government programs designed and run by the annointed. Anything that smacks of individual responsibility is a threat to this dogma- and to the careers and egos based on this dogma (7). To add credence to Sowell's argument, a recent study of results from 10 states shows that "retraining" welfare mothers does not make them any more likely to get a job than welfare mothers who have not been retrained (National Commission for Employment Policy).

In his book, Losing Ground, American Social Policy 1950-1980, Charles Murray, a prominent conservative



policy analyst, examines the effect of the great society programs and the reduction of poverty among the United States population. Murray explains:

The popular conception about poverty is that, at least on this one fundamental goal, the Great Society brought progress. The most widely shared view of history has it that the United States entered the 1960s with a large population of poor people-Harrington's "other America"-who had been bypassed by the prosperity of the Eisenhower years. The rich and middle class had gained, but the poor had not. Then, after fits and starts during the Kennedy years, came the explosion of programs under Johnson. These programs were perhaps too ambitious, it is widely conceded, and perhaps the efforts were too helter skelter. But most people seem to envision a plot in which dramatic improvement did not really get started until programs of the Great Society took effect. (56)

Murray acknowledges the perception by the populus that the answer to poverty could be found in government programs. His research shows that poverty did fall during the five Johnson years from eighteen percent of the population in 1964 to thirteen percent in 1968, his last year in office, and the slope of the decrease was the steepest during this period (57). While the conclusion may be drawn that Johnson's Great Society programs created a cause and effect relationship in the reduction of poverty, Murray's research shows the opposite.

First, Murray points out that the Great Society

reforms had very limited budgets through the Johnson administration. The real annual expenditures of the 1970s were far larger--by many orders of magnitude for some of the programs--than expenditures of the 1960s. Yet progress against poverty stopped in the seventies. The steep declines in poverty from 1964 to 1968 cannot glibly be linked with government antipoverty dollar expenditures (58).

Secondly, Murray points out that declines in poverty prior to 1964 were substantial. In 1950, approximately thirty percent of the population was living in poverty. From there it declined to eighteen percent during Johnson's first year. The size of the officially "impoverished" population dropped by about seventeen percentage points in the years from 1950 to 1968, of which the Johnson years accounted for five: about their fair share (58).

Third, Murray explains that after two decades of reasonably steady progress, improvement slowed in the late sixties and stopped altogether in the seventies. The proportion dipped to its low point, eleven percent, in 1973 (58). A higher proportion of the American population was officially poor in 1980 than at any time since 1967. By then it stood at thirteen percent and was heading up. The number of people living in poverty stopped declining just as the public-assistance program budgets and the rate



of increase in those budgets were highest. Murray points out that poverty is officially defined as a matter of cash on hand from whatever source.

The recipient of the benefits does not have to "do" anything—does not have to change behavior or values, does not have to "qualify" in any way except to be a recipient. To eliminate such poverty, all we need to do is mail enough checks with enough money to enough people. In the late sixties, still more in the seventies, the number of checks, the size of the checks, and the number of beneficiaries all increased. Yet, perversely, poverty chose those years to halt a decline that had been underway for two decades. (59)

Murray's last figures on the poverty rate were for the year 1980 at thirteen percent of the population, most recent data shows this figure at approximately twenty percent (United States Census Bureau, 1993).

Milton Friedman, a conservative Nobel Laureate economist, offers his political point of view on the welfare state in his book Free to Choose:

Most of the present welfare programs should never have been enacted. If they had not been, many of the people now dependent on them would have become self-reliant individuals instead of wards of the state. In the short run that may have appeared cruel for some, leaving them no option to low-paying, unattractive work. But in the long run it would have been more humane. (115)

Friedman clearly believes that the "Great Society" programs

enacted under President Johnson, and expanded under following administrations, have failed to accomplish the stated goal of promoting self reliance. Friedman also points out that:

Billions of dollars are being spent each year on welfare, yet at a time when the average standard of life of the American citizen is higher than it has ever been in history, the welfare rolls are growing. (127)

Friedman concludes that the major evil of welfare programs is thier effect on the fabric of our society. They weaken the family; reduce the incentive to work, save, and innovate; reduce the accumulation of capital; and limit our freedom (127). Very strong language in defense of the failure of welfare programs.

Another conservative view is offered by Christopher Jencks, a sociology professor at Northwestern University. In his book, Rethinking Social Policy; Race, Poverty, and the Underclass, Jencks argues against the traditional liberal response to single mothers' economic problems. Jencks explains:

The traditional liberal response to single mothers' economic problems has been to push for higher AFDC benefits. In our view this is a mistake. The only politically viable strategy for significantly improving the economic position of single mothers and their children over the next generation, we would argue, is to concentrate on helping

those who work at low-wage jobs. (228)

Jencks further points out that liberals have a habit of trying to help the neediest, and because AFDC benefits have always been low, welfare mothers look like the neediest of the needy (228). Jencks points to liberal legislator's failure to help single mothers with low wage jobs has turned the American welfare system into a political and moral disaster (229).

Rush H. Limbaugh has emerged as one of the most conservative and outspoken critics of the welfare system today. In his book, See, I Told You So, Limbaugh points out how the welfare system promotes single parenthood by increasing benefits for single mothers. In fact Limbaugh points out that among families headed by married couples today, there is a poverty rate of 5.7 percent. But for families headed by a single mother the rate is 33.4 percent (Limbaugh, 92). Limbaugh blames the government for creating a system whereby incentives to work and become self sufficient do not exist, but incentives to stay on welfare, have more children, and remain unmarried do.

Limbaugh feels that an overall poverty of values, underlined by government welfare programs, have failed to help those in need. He points out that while liberals have devoted billions of dollars on social programs since the implementation of the great society, the number of



welfare recipients is higher today than in the first years of the Johnson Presidency (217).

In a speech delivered to the Commonwealth Club of California in San Francisco on May 19, 1992, then Vice President Dan Quayle, talked of the breakdown of the traditional family and how the current welfare system promoted single parent families. In his speech Quayle pointed out:

The intergenerational poverty that troubles us so much today is predominantly a poverty of values. Our inner cities are filled with children having children; with people who have not been able to take advantage of educational opportunities; with people who are dependent on drugs or the narcotic known as welfare. (Quayle)

Quayle further explained that for the government transforming underclass culture means that our policies and programs must create a different incentive system (Quayle). He pointed out that our policies must be premised on, and must reinforce, values such as: family, hard work, integrity, and personal responsibility (Quayle).

Based on these principles, Quayle outlined a host of what he called personal empowerment programs to help the individual. Programs such as home ownership for public-housing dwellers, tax cuts for investment in blighted urban areas, more educational choice, and welfare reform

that removes penalties for marriage and creates incentives for saving. But Quayle made it clear that government mandates and programs alone cannot solve all the problems (Quayle).

While Quayle's speech received ridicule from the liberal political left due to his attack on Murphy Brown, a fictional television single parent who was glamorized for being such on a recent episode, Quayle was exonerated by the liberal publication Atlantic Monthly in its April 1993 issue in which the cover simply said: Dan Quayle was right ("Dan Quayle was....").

The preceding conservative arguments share the basic premise that the welfare state, born out of the great society, has failed to accomplish the stated goals of alleviating poverty and promoting self sufficiency among the underclass. These arguments point out that while expenditures for programs designed to alleviate poverty and move people off the welfare rolls have increased over the last thirty years, the poverty rate has not declined sufficiently, and those dependent on welfare is at an all time high. The conservative argument also offers the opinion that the current welfare system promotes dependency and breaks the traditional values of family, hard work, and self sufficiency.

With the conservative side of the argument clearly

established, the liberal argument is now presented.

### The Liberal Argument

In his book, The Mean Season: The attack on the Welfare State, Fred Block offers what may be considered the cornerstone of the liberal argument for welfare programs.

According to Block:

What has been momentarily forgotten, in the disarray created by the conservative attack, is that the welfare state is the only defense many people have against the vicissitudes of the market economy. Capitalism, from the beginning, has confronted people with the continual threat of economic dislocation: downturns in the business cycle periodically throw millions out of work; shifting patterns of investment plunge some regions (or industries) into depression while others boom; long-term structural changes in the economy—such as the shift away from agriculture and, more recently, from heavy manufacturing—leave millions stranded with obsolete skills and scanty resources. The only sure "logic" of the market is change and disruption; and for many of us, the only protection lies in the programs of the welfare state. (2)

With this premise presented, a closer look at some of the leading liberal writings will help to further illustrate this argument.

In their book, America's Misunderstood Welfare State, policy analyst Theodore Marmor, Jerry Mashaw, and Philip Harvey attack what they call the misconceptions and the half-truths of the conservative argument against the



welfare state. According to the authors, the beliefs go something like this:

First, by welfare, most people mean cash assistance for needy families provided by the Aid to Families with Dependent Children program (AFDC). Second, "welfare", so defined, is viewed as a substantial and growing component of American social welfare expenditures. Third, AFDC in particular, and means-tested programs in general, are viewed as the government's primary weapons in combating poverty. Finally, there is, if not a conviction, at least a concern that these massive expenditures have failed to turn the tide in the war against poverty. Many people adopt the even more pessimistic view that welfare actually has contributed to the incidence of poverty. "Welfare," in short, is seen as having failed in its essential goal. (Marmor, Mashaw, Harvey, 83)

The authors believe there is a straightforward problem with these standard conservative beliefs concerning welfare's place in the American welfare state. They assert that many, indeed most, of them are false (83).

First, the authors point out that many conservatives believe that AFDC, what most consider "welfare", has increased every year due to an ever expanding base of recipients. They argue that total AFDC expenditures as a percentage of the GNP have actually decreased from a high of 0.59 in 1971, to 0.36 in 1987, thus negating the argument presented by the conservative side (85).

Second, the authors attack the conservative argument that welfare programs promote dependency and do little to alleviate poverty. The authors offer data that shows that the poverty rate, based on the Census Bureau's Current Population Survey, decreased from 22.2 percent in 1960 to 13.5 percent in 1988, a decline of 8.7 percent most likely from the effects of government social programs (96). They also offer statistics that show that dependency on welfare directly correlates with the unemployment rate. In fact, a one percent rate increase in unemployment showed a corresponding increase in pretransfer poverty by 0.7 percent (Handbook on labor statistics, 129).

By pointing out this statistic, the authors present the argument that a lack of jobs creates dependency and not the desire for recipients to remain on the welfare rolls.

In his book, The Reference Shelf, Robert Long examines the liberal side of the welfare argument.

Long argues that while the poverty rate has inched up from roughly 11 percent in 1973 to roughly 16 percent in the middle 1980s, there are hidden successes not reflected in these numbers (Long, 16). According to Long:

Although 35 million people today (1988) are classified as poor-out of a population of 232 million-40 million were poor in 1960 out of a population of 180 million. (16)



Long further explains that the official rate of poverty does not count the noncash benefits the poor receive, such as food stamps, housing subsidies and medicaid. When these are considered, the poverty rate drops to the range of 10 to 14 percent (United States Census Bureau, 1988).

Long argues that federal aid has clearly lifted millions out of poverty and has reduced the deprivation of millions of others (17). He points out that a 1988 congressional study noted that without government support nearly one in four Americans would have been at or below the poverty level (United States Congressional Report on Poverty, 1988).

Long questions the uptick in poverty rates and offers these factors:

First, economic troubles, including inflation and high unemployment brought on by two recessions in the early 1980s.

Second, failure of AFDC benefits to keep up with inflation. The purchasing power of such aid fell by nearly a third between 1970 and 1984.

Third, the increasing feminization of poverty, more single mothers on welfare.

Fourth, federal budget cuts affecting social programs during the 1980s (18).

Long clearly believes that welfare is not the failure the conservatives claim it to be. As he points out, without assistance, poverty would be much more prevalent than it is.

Another liberal argument is offered by former Massachusetts Governor, and 1988 Democrat nominee for President, Michael Dukakis. In an article published in USA Today Magazine in March 1988, Dukakis examines the link between welfare and employment.

In his article, Dukakis states:

Contrary to popular myth, those on welfare are not all alike, not part of some permanent underclass, and not unwilling to work. Welfare mothers want to work and to provide a better life for their children, but they need different kinds of support to get there. Some require basic educational opportunities, like a chance to get a high school diploma or even learn to read. Others need skills training so that they can compete for the wages necessary to support a family. (9)

Dukakis points to the success of the Employment Training (ET) program implemented in 1983 and designed to train welfare recipients in order to enter the workforce and leave the welfare rolls. Dukakis offers the following statistics to verify this success:

Over 40,000 ET graduates have entered full-or part-time jobs since the program began in 1983; the average full-time job obtained through ET pays \$13,000 per year; 86% of those who leave the welfare

rolls are off welfare one year later; the average length of stay on welfare in Massachusetts has declined by 25% since ET began; and the number of families on welfare for five years or more declined by nearly 30%. (9)

Dukakis clearly believes that government programs are the answer to turning welfare recipients into productive members of the working class.

The preceding liberal arguments differ greatly from the conservative arguments over the success or failure of the welfare state.

The conservative authors point out that the welfare state does little to promote self reliance and financial independence.

Thomas Sowell points out that the talk of new welfare reforms proposed under the Clinton administration is just a rehash of the failed programs initiated and implemented under the Johnson administration thirty years ago. Sowell points out that more people are on the welfare rolls today than when Johnson took office thus claiming that training and investment programs are of little value in solving the welfare problem. Sowell offers the solution of work, as basic as it seems, is the answer to promoting self reliance. Sowell also seems to offer the idea that liberals use welfare programs to derive power over the poor.



Charles Murray offers statistical data to support his argument for the failure of welfare programs. He offers evidence that during the time when expenditures for welfare programs were at their highest, during the 1970s, progress against poverty actually declined.

Murray also points out that the greatest reduction in poverty occurred before the implementation of the great society programs; thus casting doubt on any strong correlation between the great society programs and a reduction in poverty. Murray in fact points out that at the time welfare expenditures were at their highest, poverty rates were also at an all time high.

Milton Friedman also points out that expenditures continue to increase, but instead of seeing a reduction of recipients, the number has actually increased.

Friedman also attacks the welfare state for the negative effects it has on those it is designed to help. He believes that welfare weakens incentives to work, save, innovate, and above all weakens the family.

Christopher Jencks points out that liberals tend to have the bad habit of helping those who appear to be the neediest. In his case he identifies single welfare mothers as the target for liberal legislators. He offers his opinion that this is a mistake and by only increasing AFDC benefits that little is really accomplished in making



single welfare mothers self reliant.

Rush Limbaugh attacks the welfare system for the effect it has on the breakup of the traditional family. By increasing benefits for unmarried mothers, Limbaugh argues that AFDC payments actually encourage welfare mothers to remain unmarried. He also points out that the poverty rate among unmarried mothers is six times as high as that among married mothers, supporting his argument that higher payments do not help those in need.

Limbaugh also recognizes the fact that while billions of dollars have been spent on welfare programs since the implementation of the great society, the number of those on welfare is at an all time high.

In his now famous, or infamous, speech delivered to the Commonwealth Club in 1992, former Vice President Dan Quayle also attacked the welfare state for destroying personal responsibility. He feels that despite good intentions, and billions of dollars, welfare as we know it has failed to create self sufficiency. He offered suggestions such as home ownership programs, tax cuts, educational choice and welfare reforms to correct the current welfare system.

The liberal authors all agree that welfare programs have been successful and that government should play a major role in peoples lives through such programs.

Fred Block offers the argument that as a system, capitalism confronts individuals with threats of economic dislocation, downturns, and other negative effects that can temporarily throw one into poverty. He argues that for many, the only protection lies in the programs of the welfare state.

Marmor, Mashaw, and Harvey attack the misconceptions and half-truths that they feel the conservative side has launched against welfare programs. They argue that contrary to the conservative argument, AFDC payments have not increased every year. They also argue that the poverty rate has declined steadily and that dependency on welfare occurs when unemployment is high and is not the result, as conservatives claim, the result of people wanting to remain on welfare and avoid work.

Robert Long offers the argument that while the poverty rate has indeed increased, despite billions of dollars being spent to alleviate it, there are hidden successes that are not apparent; especially to the conservatives.

Long offers the explanation that without government welfare programs, the poverty rate could be as high as twenty five percent. He also believes that poverty rates and dependency on welfare increase when the economy suffers and is not the result of individuals choosing welfare as an option to work.

Former Massachusetts Governor Michael Dukakis offers the success of the Employment Training Act in support of government sponsored welfare programs. He points out that over 40,000 ET graduates have entered the workforce and that 86% of those who entered the workforce were off welfare one year later.

While there are clear differences between the liberal and conservative sides, a recent Time magazine poll shows that there is an overwhelmingly sense among the population that welfare in its current condition is in great need for change. The poll shows that 81 percent of the 600 adult respondents agree that the welfare system needs a fundamental overhaul. The poll also shows that 84 percent polled feel that the current welfare system discourages poor people to find work (Time, 26).

These findings represent views more closely associated with the conservative side than that of the liberal side.

#### Summary

The great society programs were implemented in the 1960s under the Johnson administration to help those who, through no fault of their own, were impoverished.

The goal of these programs was to provide the ways and means for impoverished people to lift themselves out of poverty and become productive members of society.



The welfare state expanded throughout the 1970s and 1980s and has become a hot topic for debate among the conservative and liberal factions of government.

The conservative side claims that welfare has been a colossal failure. They claim that welfare programs have failed to promote self reliance and alleviate poverty among those it was designed to help. In fact, conservatives believe that welfare programs have had the opposite effect and have created a permanent underclass of welfare recipients who only know a life of dependency upon government programs.

They claim little resemblance to the promise by liberals that through government intervention people may gain self respect, pride, and self reliance. This perceived failure was presented by conservative radio talk show host Rush Limbaugh on a recent radio broadcast. Limbaugh stated:

Liberals continue to claim that government can give people self respect and dignity. I only have to point to the recent riots in Los Angeles. What I vividly remember is the newsreels showing hundreds of welfare recipients, checks in hand, standing in front of the burned down welfare offices. These people looked lost and hopeless, not knowing what to do or who to turn to. I hardly think that this represents pride and dignity. (Limbaugh, June 7, 1994, 11:00 am Central time)

The liberal side argues that without government programs poverty would be much worse, and despite some failures, there are many successes that are not so



apparent. Programs such as the Employment Training program are cited as to the success of welfare programs.

The liberal side also points out that due to the nature of a capitalistic economy, there is always the threat of downturns and other negative factors that can effect people and push them into poverty. They feel that during these times the government is the only place for many of these people to turn to for help.

While on the surface it appears that there is a legitimate argument for both sides, the argument from the conservative side seems to reflect reality more closely than that of the liberal point of view.

In fact a recent editorial by former liberal Senator Thomas Eagleton pointed out that the liberal side may finally be realizing that the welfare state may not be working. In his editorial Eagleton points out:

Today's reality is money-were running out of it. Were being eaten alive by entitlements. The automatic federal spending programs that, like old man river; simply keep rolling along. They never stop. They never decrease. They grow and grow and each year consume a larger portion of the federal budget. (3)

Eagleton also reveals some facts put together by Senators John Danforth R-Missouri and Bob Kerry D-Nebraska. President Clinton appointed these two senators to investigate the seriousness of the entitlement dilemma and to recommend

corrective changes to avoid the disaster that likely lies ahead. The Senators found:

1.) By the year 2003, unless entitlements are reduced, most of the federal programs pertaining to young people-education, job training, Head Start, etc.- will have to be drastically cut back or eliminated.

2.) By 2012, unless entitlements are reduced, entitlements and debt interest will consume all of the collected federal taxes.

3.) By 2030, unless entitlements are reduced, we won't even be able to pay for all of the current entitlement programs. Social Security, Medicare, Medicaid and pensions for federal retirees will consume all of the collected federal taxes.

4.) Health-care cost have been increasing by 10 percent a year for the past five years. Without cost constraints, Medicare and Medicaid will continue to put severe strains on the federal budget.

5.) America's population is aging. In 1950, eight workers supported one retiree's federal benefits. Today, five current employees must contribute the payroll taxes necessary to cover the costs of one retiree. In 2030, the number will be three.

6.) Once the baby boomers begin to retire in 2010, the cash-flow surplus from Social Security will

rapidly decline. Taxes on employees and employers will have to be raised substantially or benefits will have to be cut.

7.) The Social Security Trust Fund will be out of money by 2029. (3)

These are not very positive predictions and clearly call for action to reform welfare entitlements now or pay dearly in the future.

#### Statement of Hypothesis

The conservative argument that welfare programs have not achieved the desired goal of promoting self reliance and alleviating poverty seem to be better supported than the liberal argument. The welfare state does appear to be ever expanding in cost and coverage while doing little to achieve its stated goals.

The conservative claims will be more thoroughly examined to either support or reject this view.

## Chapter III

### SELECTIVE REVIEW AND EVALUATION OF RESEARCH

As presented in chapter two, both the conservative and liberal arguments are examined regarding the success or failure of the welfare state in the United States of America.

As stated in the hypothesis, the conservative argument, arguing that the welfare state has basically been a failure, seems to be better supported than that of the liberal argument that depicts the welfare state as a much needed, successful program.

The purpose of this chapter is to further examine and evaluate those conservative arguments presented in chapter two and determine how well the data obtained supports the stated hypothesis.

The first conservative argument presented was that of one of the most conservative syndicated columnist today, Thomas Sowell.

Sowell's argument is directed at President Bill Clinton's introduction of a "new" welfare reform program designed to invest and retrain people currently on the welfare rolls enabling these people to become self sufficient, productive citizens. The problem Sowell points out is that these proposals are nearly identical with those presented by President Lyndon Johnson in 1964.

In his research, Sowell examines speeches and writings



of President Johnson from 1964 that outlined the ideals of the great society programs and compared them to President Bill Clinton's "new" welfare proposals. Sowell finds that ideas such as "investing" and "retraining" those in poverty at the expense of the federal government through social programs were the predominant themes of President Johnson's ideas. In comparing those proposals made in 1964 by Johnson, and those proposals made in 1993 by President Bill Clinton, Sowell sees no difference in the approach to welfare reform.

Sowell further states that Census Bureau statistics show in the year 1993, a higher number of people, nineteen percent of the population, rely on government assistance programs than in the year 1965, thirteen percent of the population (United States Government 109).

Sowell argues that despite good intentions and billions of dollars spent on welfare programs over the last thirty years, the goal of reducing dependency on government programs has failed. This conclusion is backed up by the stated Census bureau's statistics and by a study by the National Commission for Employment Policy that found retraining welfare mothers does not make them any more likely to get a job than welfare mothers who have not been retrained (National Commission for Employment Policy).

Sowell's conclusion that the welfare state has failed at its stated goals seems to be solidly backed up by the

data presented in his writings. There is, however, one limitation to Sowell's argument that needs to be addressed. It is impossible to measure the number of people who had access to government programs in 1965. The fact that this was the first year for such programs to be implemented poses the question of access in 1965 as compared to 1993.

It is logical to propose that in 1965, many of those who would have qualified for assistance may not have had the ability or knowledge to apply and receive assistance as compared to the readily available assistance programs in 1993. However, the fact does remain that despite increased spending and efforts on behalf of the Government, dependency has increased.

Charles Murray, a prominent conservative policy analyst, offers statistical data that argues convincingly that government welfare programs have not achieved the desired goals of alleviating poverty and creating a self-reliant citizenry.

Murray does acknowledge that during the years 1964 through 1968, Lyndon Johnson's first term and the height of the implementation of anti-poverty programs, the official Census Bureau's report on poverty showed a reduction of five percent. Murray's research shows that this reduction in poverty was not the direct effect of government-funded programs. Murray points out that during the 1970s, government

expenditures actually increased compared to those of the 1960s. Despite this increased effort both in the number of programs available, and the amount of dollars spent, the actual poverty rate increased from a low point of eleven percent of the population in 1973, to a high of nineteen percent of the population in 1977 (United States Government 96).

Murray also points out research done prior to the introduction of the Great Society programs and finds that in the year 1950, approximately thirty percent of the population was living in poverty, declining to eighteen percent of the population in 1965. This represents a decline in poverty from 1950 through 1968 of seventeen percent.

Murray's research clearly shows that this reduction in poverty is not directly attributed to the anti-poverty programs of the 1960s. Murray questions the drastic reduction in poverty levels for the years 1950 through 1964 a period of time that lacked all but a minimal amount of government assistance programs designed to alleviate poverty. In fact, Murray points out that after nearly two decades of steady progress, improvement slowed in the late 1960s and stopped altogether in the 1970s. This occurring at a time when government assistance programs were at an all time high in availability and spending.

Murray's research clearly shows that the answer to



eliminating poverty and creating self reliance does not lie in the hands of the government.

Murray's research also shows that there is no direct correlation between government intervention and a reduction in the poverty rates.

Murray's use of the available Census Bureau statistics supports his conclusion that the welfare state has failed at its goals.

One area of concern with Murray's argument is that of the lack of explanation of why the poverty rate was drastically reduced during the early 1950s and 1960s.

Murray only offers the theory that the post war economy of the 1950s was so strong that it offered economic opportunity to every citizen. This may have been the case and deserves further research.

Milton Friedman, a conservative Nobel Laureate economist, also argues that the welfare state in the United States has failed at its stated goals.

Friedman argues that most of the present welfare programs should never have been enacted. Friedman points out that despite billions of dollars allocated and an ever growing number of social programs, the welfare rolls are growing. Friedman recently explained on the McNeil-Lehrer



News Hour:

The effect of the welfare state is that it makes work and responsibility a thing of the past. Welfare programs destroy incentive, break up families and create a permanent underclass of citizens who only know how to rely on the government for security. (Friedman November 7, 1993, 10:00 am Central time)

Friedman also explains that during the middle and late 1980s, the economy was extremely strong. Low unemployment, low inflation, and low interest rates created the longest peacetime expansion in the history of our nation, yet even during these times when the atmosphere was right for all to benefit, the welfare rolls grew to their highest level ever (Friedman).

Friedman's research supports his conclusions that welfare programs do not solve the problem of poverty, however, Friedman's research does have its limitations.

Friedman is more radical in his views suggesting that the welfare state should never have been enacted. What he fails to address is what may have occurred if the problem of poverty in the 1960s was ignored, and what may occur if too drastic steps are made in eliminating the welfare state completely.

Radio and television talk show host Rush Limbaugh, arguably the most outspoken critic of the welfare state today, argues convincingly that the welfare state has

failed at its goals for creating independency and affluence for its recipients.

Limbaugh argues that welfare programs do exactly the opposite of the intended purposes. Limbaugh's research shows that the poverty rate among families headed by married couples is 5.7 percent, compared to a poverty rate of 33.4 percent for those families headed by a single mother. Limbaugh's explanation for this significant difference is that welfare programs promote the breakup of families. Limbaugh points out that under current AFCD policies, benefits are increased for each additional child born to a single mother, at the same time, benefits are reduced or eliminated in the event that the single mother marry. This being the case, Limbaugh's argument seems to be accurate.

Limbaugh further points out that after thirty years of the great society, and nearly three billion dollars spent, the percentage of those on welfare is higher in 1994 than in 1964 (United States Government 126).

Limbaugh's research and use of official Census Bureau statistics supports his argument that government is not the answer to the alleviation of poverty in the United States.

Former Vice President Dan Quayle addresses the failure of the welfare state explaining that the system as it now operates, transforms an underclass of values to the

very people it was designed to help. Quayle points out that welfare programs do little, if anything, to promote family values, hard work, and personal responsibility. Quayle feels that our welfare policies need to address these issues if they are to be successful. To support his argument, Quayle points to the same official Census Bureau statistics that show more people relying on government assistance today than at any other time in our history.

The conservative arguments presented all conclude that the great society has not achieved the goals it was designed to achieve.

While the preceding offers a more detailed examination of these authors arguments there are other areas of concern to be examined.

#### Research Methods

The author's research methods all involve the comparison of official poverty rates at present with those prior to the introduction of the great society programs. The authors also compare the number of people living with assistance from the government currently as compared to the early years of the great society. While this appears to be a simplistic approach, there is no other available way to accurately measure these numbers. In using a retrospective approach to



support their arguments, the authors can only compare current statistics to those of prior years. One area of concern is the deletion by the authors to evaluate year by year statistics with explanations for variances of the statistical data.

#### Experimental Control

As mentioned, the authors evaluate the effect of anti-poverty programs by using official Census Bureau statistics. Two of the authors did use control group methods to support their arguments. Thomas Sowell points out a recent study involving ten states that offer government implemented training programs for welfare mothers. Sowell explains that those receiving training were no more likely to get a job than those not receiving training.

Limbaugh also uses a control group to evaluate the effect of the breakup of the traditional family. In his research, Limbaugh finds that married couples have a far lower rate of poverty than single mothers with children.

Limbaugh suggest that government run welfare programs, which allow more benefits for single parents, actually promote the breakup of the family. Limbaugh uses this data to support his argument.



### Sampling Techniques

All of the authors reviewed in this chapter rely on reported United States Census Bureau data to support their arguments. This data reports only on those actual cases reported to the Census Bureau during any given year. This may allow for slight inaccuracies as to the actual number of people living at or below the poverty level. It is important to note that while these inaccuracies probably do exist, and the actual number of those living in poverty is most likely higher than reported, this data is generally used by the opposing authors to support their arguments.

### Threats to External Validity

The political nature surrounding the welfare debate may lead to generalizations when interpreting statistical data. Conservatives may oversimplify the argument that welfare recipients do not want to work and are happy being supported by government programs. In doing so, the conservative argument may overlook variables such as unfavorable economic conditions that limit opportunities to the total population. This is an important area that demands further attention.

### Statistics

All of the authors reviewed, both conservative and liberal, use official Census Bureau statistics to evaluate the success or failure of the welfare state.

By comparing poverty rates before, during, and after implementation of the great society programs, the authors support their arguments. Unfortunately, these statistics are the only viable ones that exist.

While several of the authors discussed in this chapter do use control group studies, the need for further control group analysis is apparent.

### Research Conclusions

The statistical data obtained by the conservative authors does support the argument that the welfare state has failed at its stated objective of reducing the rate of poverty through government intervention. All of the official government data shows an increase in the number of programs implemented, amount of money spent, and the total number of people receiving benefits. At the same time official government data shows that the rate of poverty has steadily increased despite all these efforts applied to reduce poverty. This is the same available data used by

the liberal authors in the attempt to support their arguments. The conservative argument is clearly better supported by this available data than the liberal argument.

## Chapter IV

### RESULTS

As presented in chapter three, the evaluation of research supports the conservative argument proclaiming that the welfare system in the United States has failed at its stated objectives of eliminating poverty and promoting independence among those living in poverty.

The purpose of this chapter is to further analyze the results from the research presented in chapter three focusing on the most valid, pertinent research data.

In chapter three, five conservative authors were reviewed and evaluated to determine how well their research supported their conclusions that the welfare system has failed. All five of the authors produced strong data to support their arguments.

In order to better understand the results of the author's research a detailed analyzation of each author is presented.

#### Thomas Sowell

Thomas Sowell's research showed that despite thirty years of government programs, and billions of dollars spent on these programs, very little, if any progress has been made to eliminate poverty in the United States.



Sowell's research focused on recent statements made by President Clinton outlining a "new" approach to welfare reform. Sowell concluded that President Clinton's proposal of retraining and investing in those living in poverty was merely the same proposal made by President Johnson in 1964; the first year of the "War on Poverty".

Table one, shows the results that lead Sowell to conclude that the last thirty years of government supported welfare programs have failed and the direction that President Clinton is proposing is not the answer.

Table 1

Evidence of the Welfare State's failure

- 
1. In the year 1964, President Johnson declares a "War on Poverty" and allocates millions of dollars to fund programs to alleviate poverty in the United States.
  2. The Poverty rate in the year 1965 stands at thirteen percent.
  3. In the year 1966, the War on Poverty is expanded to include job training in order to train those who lack skills to secure employment.
  4. Throughout the years 1966-1977 expenditures steadily increase along with the number of anti-poverty programs.
  5. In the year 1977, the poverty rate hits an all time high of nineteen percent.
  6. In the year 1980, President Ronald Reagan is elected to office and promises major welfare reforms.
  7. In the year 1984, the recession ends, unemployment is the lowest in a decade as well as inflation rates and interest rates, major economic expansion occurs.
  8. In the year 1988, the poverty rate is 15 percent.
  9. In the year 1990, recession hits economy.

10. 1992, President Bush defeated at polls by Bill Clinton.
11. 1994. Poverty rate at an all time high of 19.3 percent.

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SOURCE: St. Louis Post-Dispatch. "Same Tired Song on Welfare Reform". Thomas Sowell, 3 July, 1994. late ed 7.

### Charles Murray

Charles Murray is one of the most conservative and outspoken critics of the current welfare system discussed in chapter three.

Murray's research was designed to demonstrate that there is not a cause and effect relationship between government anti-poverty programs and a reduction in the poverty rate.

Murray's results showed that during the years 1964 through 1968, Lyndon Johnson's first full term as President and the height of implementing government anti-poverty programs, the poverty rate did decline by five percent. Murray also examined the period between 1973 and 1977 and found that government expenditures and involvement increased more significantly than that of the 1964-1968 period but found that the poverty rate actually increased from eleven percent to nineteen percent.

Alarmed by these statistics, Murray focused his research to the years prior to the implementation of the great society programs and found that in the year 1950, thirty percent of

of the population was living in poverty only to decline to a level of eleven percent in the year 1965.

Murray was quick to note that this reduction of seventeen percent was achieved without the assistance of the great society programs.

#### Milton Friedman

Milton Friedman's research was conducted with the proposal that most of the current welfare programs should have never been enacted.

Friedman's research showed that despite the billions spent on anti-poverty programs, the number of those relying on government assistance has increased steadily over the last thirty years. Friedman also pointed out that even during the 1980s, a time when unemployment was low, inflation was under control, and low interest rates created the longest peacetime recovery in history, the welfare rolls grew to the highest level ever seen since such statistics have been reported. Friedman's results showed that even when economic times are healthy, the availability of welfare programs has created a permanent underclass of citizens relying on government assistance regardless of economic conditions.

Friedman further explained that this is the true evil of the welfare system, for why else would the rolls grow when times were so good.



Rush Limbaugh

Rush Limbaugh's research focused mainly on the negative effects that the welfare state has on the family.

Limbaugh's research showed that the current welfare system actually makes single motherhood more attractive due to the current guidelines set by AFDC (Aid to Families with Dependent Children). Table two illustrates AFDC's payment schedule.

Table 2

Payment schedule to unwed mothers receiving AFDC

Number of children	Monthly allowance
1	\$238.00
2	\$413.00
3	\$506.00
each additional up to five children	\$133.00 per

SOURCE: United States Government Bureau of statistics, 1993 217.

Table two shows the average amounts an unwed mother receives per child. This amount does not include such benefits as Medicaid, Food Stamps, Child day care, and education programs. The amounts are reduced or eliminated if the mother should marry.

Limbaugh's research also showed a drastic difference in the poverty rates among families headed by married couples as opposed to those headed by a single mother.



Table three illustrates this difference.

Table 3

Comparative poverty rates among families headed by single mothers and those headed by married couples

Poverty rate of households headed by a single parent	Poverty rate of households headed by married couples
33.4%	5.7%

SOURCE: See I Told You So. Rush H. Limbaugh (1993). 101-103.

Limbaugh's research also showed that despite the billions of dollars spent over the last thirty years on great society programs, the poverty rate has steadily increased.

#### Dan Quayle

Former Vice President Dan Quayle's results showed that spending money and expanding the role of the Federal Government does not provide the answers to creating a self reliant class of citizens. In fact, Quayle's research showed that the current welfare system promotes an underclass of values that encourage people to remain dependent on the Government for subsistence.

In his addresses to the public, Quayle consistently alludes to the fact that welfare as we know it does not promote family values, hard work, and personal

responsibility. Quayle refers to the same statistics that the previous author's point out; that millions of dollars have been spent and the number of welfare recipients keeps growing. Quayle's research also showed that most welfare programs are designed as a safety net for those who fall on temporary hard times. However, Quayle's research showed that despite the design as a temporary safety valve, nearly eighty percent of those on welfare have been reliant on government programs for an average of seven years (United States Census Bureau, 1992). Quayle also pointed out that current welfare programs offer little, if any, guidance on how to avoid the welfare trap.

#### Sample Population

All of the author's presented in chapter three used official United States Government statistics on welfare and poverty to conduct research and conclude results.

Reduction in sample size was not an issue due to the nature of government statistical data. This data serves as the official determination of figures; there is no grey area, both the liberal and conservative researchers used these same statistics, it is the interpretation of these figures that divides the liberal and conservative sides.

## Chapter V

### DISCUSSION

The results presented in chapter four all reflect the conservative argument stating that the welfare system, designed to promote self sufficiency with minimal help from the government, has failed to reach its objectives.

Each of the five conservative authors attack the liberal premise that government programs will work if only given the chance. The authors all point out that the great society programs have had over thirty years to produce results, and despite expansion of these programs almost annually, the poverty rate has steadily increased.

The authors also point out that during the 1970s, welfare expenditures were expanded to the highest level in history, mostly due to poor economic conditions and pressure from legislators. These massive increases did not provide the desired effect as the poverty rate rose from eleven percent in 1973 to nineteen percent in 1977.

Based on these figures the authors all provide solid data that increased spending and expanding welfare programs have little, if any positive effect on the poverty rate.

The authors also examine the 1950s, a time before any significant government welfare spending. Upon analysis, the authors found that for the year of 1950



the official government poverty rate stood at thirty percent, only to decline to eleven percent by the end of 1964. This massive decrease in the poverty rate occurred without government sponsored anti-poverty programs. The authors attribute this decrease to a robust post-war economy that saw low taxes, minimal regulation on business, and a work ethic among the citizenry promoting self reliance as the key to prosperity. The authors feel that what worked in the 1950's can work today and looking at the failure of the great society programs their argument seems to make sense.

The authors also address the negative effects the welfare state has on the individual and the family.

They all acknowledge that government programs have developed a permanent underclass of impoverished citizens who seem to accept their position as wards of the state.

By contrasting the 1950s to the 1980s, the authors point out that each period of time enjoyed a prosperous economy, however, unlike the 1950s which showed a massive decrease in the poverty rate without government intervention, the 1980s actually showed an increase in those living with government assistance. The authors conclude that the very programs designed to get people off the welfare rolls actually make it an attractive option to stay on welfare as opposed to self reliance. Without the option of welfare



assistance, those in poverty in the 1950s had only one option: self reliance through employment.

### Summary

All of the authors reviewed in chapter four present solid evidence that welfare programs have not solved the poverty problem in the United States.

The implementation of the Great Society programs in 1964 came with the promise that if enough money and resources were directed at the poor through government run anti-poverty programs, poverty in the United States would disappear.

The social and political climate of the turbulent 1960's allowed for these programs to enjoy overwhelming popularity not only among those who implemented them, President Johnson and Congress, but among the general population as well. Nearly every evening on the nightly newscast President Johnson could be seen pleading to the American public about the plight of the West Virginian coal miner who could not find work to support his family. With this support the beginning of the modern welfare state began.

It has been over thirty years since the introduction of the Great Society and the debate on its success or failure is alive and well.

It is the belief that the conservative argument, stating that the great society has basically failed, is more in line with reality than that of the liberal side which continues to call for more money and further expansion of programs as the answer to poverty in America.

Consider the research in chapter four, all five of the authors presented their arguments that the Great Society programs, as well as the hundreds of programs that followed, have not solved the poverty problem.

There are several key areas of research that support the conservative argument.

#### Money

The amount of money spent on implementing and executing the hundreds of welfare programs is astronomical. Some estimates have been as high as one trillion dollars over the last thirty years! The actual amount is most likely around three to five billion dollars.

#### Time

The Great Society programs were implemented in 1964. This represents thirty one years of government intervention to alleviate poverty. This seems to be more than enough time to allow these programs to "work".

### Poverty Rate

If the amount of money, time, and programs implemented had a cause and effect on the poverty rate, it would be safe to assume that the poverty rate in the United States would have shown a steady decline over the last thirty one years.

This is not the case, as pointed out in the research, the poverty rate reached an all time high in correlation with the highest level of expenditures and expansion of the welfare state. The research suggests that the access to welfare payments has created a dependent class of people who prefer to remain on welfare, thus creating a larger percentage of people living in poverty.

These key areas of research lead to the acceptance of the stated hypothesis that the welfare state has ultimately failed at its objectives of alleviating poverty and creating self reliant citizens.

### Limitations

The authors reviewed all acknowledge limitations in their research.

First, they all address the problem of having limited viable statistics. Due to factors such as cost and feasibility, the only statistics available are those produced by the Census Bureau.

Second, Census Bureau statistics are absolute in their findings. These numbers do not consider uncontrollable factors such as false misrepresentation and outside sources of income not reported.

Third, the authors all agree that discussion involving the success or failure of welfare programs is extremely political in nature and may lead to manipulation of statistics to support or refute an argument.

Other limitations not directly acknowledged by the authors but considered important include the following:

First, the authors do not consider the consequences or events that may have occurred had the Great Society programs never been implemented. Social unrest, extremely high crime levels, and possibly unrealistic levels of poverty are all concerns to be considered.

Second, the authors do not offer realistic approaches to replace the current welfare system. All of the conservative authors agree that the welfare state has failed at its objectives, but do not offer any solutions to correct the current system.

Third, personal bias is always a factor to consider when discussing any politically charged topic such as the welfare state. Most people, and certainly the reviewed authors, have developed a staunch stance on the welfare state. It is unrealistic to believe that both sides of the



of the argument, liberal and conservative, can totally divorce themselves from their biases and review data and theories with a completely open mind.

Fourth, the question of ethics is such a concern that it is highly unlikely that a controlled study can ever be performed. To deny a family benefits while providing for another like family to measure the effects of welfare programs would be considered unethical.

Fifth, the Census Bureau statistics are the only recognized official set of statistics used by the government to chart poverty rates. However, some of the research data collected, and ultimately rejected, presented statistics that did not reflect the same results as the Census Bureau.

This was a problem both with conservative and liberal authors. As a result, the available research material was limited.

#### Suggestions for Future research

The topic of welfare reform remains a key issue in American politics. The promise of welfare reform has been, and will most likely continue to be, echoed from both the liberal and conservative sides of government. The 1994 mid-term congressional elections demonstrated that the American electorate is demanding that something be done in the area of social legislation. In the most sweeping

Congressional elections in history, the electorate voted in majorities in both the House of Representatives and the Senate in favor of the Republican party. This is noteworthy due to the platform the Republicans ran on. At the heart of the platform was the promise to reduce the government's involvement in the area of social spending. Along with the promised reductions, the platform also stated that serious welfare reform needs to occur. President Clinton is also promising to introduce welfare reform proposals for congress to act on. While both the conservative and liberal factions of government agree that changes need to be made to the welfare state, the debate continues to be on just how those changes should occur.

Future research will continue to focus on statistical data concerning poverty rates and the degree in which the government participates in social welfare programs.

Unfortunately, as outlined under the limitations section, the only available data to measure poverty rates and the effects of social spending is government census data. While this data is as accurate as possible, the nature of this debate yearns for other measurement devices. The problem, as mentioned earlier, is that when dealing with human subjects, it is a moral issue as to what extent researchers may intervene. This being the case, the debate will continue to focus on interpretation of statistics

presented by the Census Bureau of the United States  
Federal government.

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