**National Debate Topic 2009-10: Poverty and Social Services**

**SUPPORTERS ARGUE**

Increasing funding for social services would aid millions of struggling Americans, perhaps even helping them out of poverty by providing for their basic needs. The recent global economic downturn has highlighted the need for more government-funded social programs.

**OPPONENTS ARGUE**

Private organizations and charities are the best sources of aid for low-income Americans. Government-run social programs already cost taxpayers billions of dollars a year; increasing their funding would drain U.S. coffers even further. Despite the economic downturn, there are still plenty of jobs available for low-income Americans.

There are currently more than 37 million Americans living in poverty. Although the percentage of poor Americans is, relative to the country's population, low historically, the actual number of impoverished U.S. residents has increased since 2000, when the figure was 31 million.

Approximately 5 million Americans are homeless, while about 43 million, including roughly 7 million children, are without health insurance. Additionally, due to the current economic downturn, hundreds of thousands of Americans are losing their jobs each month and, thus, their main source of income.

How much of a role should the federal government play in preventing or alleviating poverty? Should the government be responsible for helping the poor?

For much of its early history, the U.S. was without a so-called "social safety net"; there was minimal assistance from the government for impoverished Americans. That changed in the 20th century, however, as progressive politicians began to call for various programs to help low-income citizens.

Many of the social programs in the U.S. today—including Social Security and unemployment benefits—were initiated in the 1930s, during a decade-long economic crisis known as the Great Depression. During that period, jobs were very difficult to obtain, and about a quarter of Americans were unemployed. To combat the Depression, President Franklin D. Roosevelt (D, 1933-45) instituted a variety of social programs, collectively known as the New Deal, designed to put Americans back to work and to ease the suffering caused by the Depression.

Roosevelt's successors continued funding many of the New Deal programs, solidifying the role of the government in providing assistance to the poor. A slew of new social programs were created in the 1960s, when President Lyndon Johnson (D, 1963-69) waged his "War on Poverty," initiating a group of programs collectively known as the Great Society.

By the end of the 20th century, however, concerns that the government had become too intrusive in the lives of Americans led to a scaling back of federal programs, especially those intended to assist the poor. Indeed, the so-called Reagan revolution, promoted in the 1980s by the administration of President Ronald Reagan (R, 1981-89), emphasized scaling back the pervasiveness of "big government." In the 1990s, President Bill Clinton (D, 1993-2001) further altered the way the government dealt with the poor by signing a law that reshaped the federal welfare program, replacing financial assistance for low- or no-income families with incentives for welfare recipients to return to the workforce.

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| Issues and Controversies: U.S. Poverty Rate, 1960-2007 (graph) |

Proponents of increased spending on antipoverty programs argue that the U.S. government has an obligation to care for the country's least fortunate citizens. By ensuring that Americans at the bottom rung of the social ladder have adequate food, shelter and health care, the U.S. as a whole would be made stronger, advocates assert. A sturdy, well-funded social safety net is crucial to help low-income Americans deal with a fluctuating U.S. economy, proponents say.

Critics, meanwhile, contend that antipoverty programs do little more than breed laziness among low-income Americans. They argue that, if poor people knew that they could depend on the government to meet their basic needs, they would have little incentive to work hard, become self-sufficient and contribute to the U.S. economy. Additionally, opponents argue that federal antipoverty programs are too expensive as it is. It makes little sense to increase their funding, especially when there are countless private charities willing to help low-income Americans, opponents maintain.

1996 Welfare Reform

Social programs became less prevalent during the 1980s. During the so-called Reagan revolution of the 1980s, conservatives assailed excessive government spending and sought to curtail many social programs.

That trend continued into the 1990s, when President Clinton signed a sweeping welfare reform bill that, in many ways, dismantled the program. Welfare had long been controversial, criticized by conservatives for doling out cash to unemployed Americans who, they argued, did not contribute to society and therefore did not deserve government assistance.

The Personal Responsibility and Work Opportunity Reconciliation Act, supported and signed by Clinton in 1996, removed many of the welfare benefits for the poor established in the 1930s. The new legislation replaced the AFDC program with the Temporary Assistance to Needy Families (TANF) program. TANF was designed to encourage unemployed or low-income parents to find jobs instead of staying home with their children. The new rules placed strict time limits on how long people could receive welfare benefits, and ended federal housing subsidies, which helped poor Americans pay their rent.

The new program provided incentives, such as assistance in paying for child care for low-income parents who sought employment. Additionally, while the AFDC had been administered directly by the federal government, TANF granted states a large amount of leniency in drafting their own welfare rules. Indeed, TANF funds are distributed by the federal government to states, each of which administers its own financial assistance program.

The welfare reform act had a large impact on the way the U.S. provided assistance for its poor.

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| Issues and Controversies: Participants in the Temporary Assistance For Needy Families (TANF) Program (graph) |

The 'Great Recession'

By the end of 2007, the economy had entered a recession. The following year, the situation worsened; many experts described the economic crisis as the most severe faced by the U.S. since the Great Depression. Indeed, unemployment rose considerably, with hundreds of thousands of workers losing their jobs each month. Many experts have dubbed the downturn the "Great Recession."

President Obama took office in January 2009, promising to concentrate all the government's resources on battling the recession. In February, Congress passed a stimulus package that Obama had heavily promoted. The package greatly expanded unemployment benefits, extending and increasing payments to unemployed workers currently eligible for assistance and increasing the number of workers who qualified for help.

That same month, Obama introduced his federal budget for 2010, which presented a drastic change in priorities from the budgets drawn up by his predecessor, George W. Bush (R, 2001-09). Whereas Bush's budgets had focused on lowering taxes, Obama's budget called for a tax increase on the wealthiest Americans. Obama also sought to initiate a national health care plan, and a series of alternative energy initiatives that would create "green" jobs for unemployed workers.

Some observers likened Obama's budget priorities to Roosevelt's New Deal; others compared his attempts to alleviate poverty to Johnson's Great Society. *New York Times* journalist David Sanger, however, noted that Obama's initiatives appeared to be "aimed more at a middle class that missed out on the [economic boom of the late 1990s and early 2000s] than at the nation's poorest, who would benefit to a significantly lesser extent."

Still, many observers have compared Obama's desire to undo the Bush administration's economic policies to Johnson's crusade to eradicate poverty. Obama has claimed that Bush's policies allowed "the playing field to be tilted so far in the favor of so few."

Antipoverty Programs in the U.S.

The federal government currently offers many programs to help the poor. Those programs include assistance in paying for education, purchasing food, finding work and more. The programs include:

* **Social Security**, a national retirement program for U.S. workers established in 1935, during the Great Depression. All employees pay a payroll tax out of each paycheck which goes into a Social Security trust fund. Workers between the ages of 62 and 70 can begin to receive monthly payments after they retire. The amount of each payment depends on how long, and how much, they have paid into the program.
* **Unemployment insurance**, also created in 1935 in response to the Great Depression. The program, according to the Department of Labor, "helps cushion the impact of economic downturns and brings economic stability to communities, states, and the nation by providing temporary income support for laid off workers." Unemployment benefits tend to increase during times of economic hardship; indeed, the economic stimulus package passed by Congress in February 2009 provides increased eligibility and extended benefits for many unemployed workers.
* **Temporary Assistance for Needy Families (TANF)**, the primary welfare program in the U.S.; TANF replaced the AFDC program when welfare was overhauled in 1996. TANF is distributed to states via block grants, through which the federal government supplies funds to local jurisdictions with only general requirements as to how that money is to be used. Whereas AFDC, for the most part, provided indefinite financial assistance to the poor, TANF is, according to the Department of Health and Human Services, "designed to help needy families achieve self-sufficiency." TANF has strict guidelines to determine which poor families may be eligible for funds; most of TANF's requirements mandate that participants in the program seek full-time employment. The federal government requires that TANF fund recipients who do not find a job within two months do community service. Adults without jobs after two years in the program are no longer eligible for assistance. Other aspects of the program, however, vary from state to state.
* **Medicare**, which offers health insurance to senior citizens. As with Social Security, workers have money deducted from each paycheck that goes into a trust fund; when they reach the age of 65, they become eligible to receive health insurance through Medicare.
* **Medicaid**, which helps pay for health insurance for low-income individuals and families. Like TANF, Medicaid is administered by the states; eligibility requirements and benefits, therefore, differ from state to state.
* **State Children's Health Insurance Program (SCHIP)**, created in 1997 to provide insurance for children from low-income families. Also administered by state governments, the program was designed to help uninsured families whose income was too high to qualify for Medicaid but who could not afford insurance for their children. It was recently expanded to include an additional 4 million children.
* **Head Start**, established by the EOA to prepare underprivileged children for school. The program provides federal funds to private and public educational institutions to help children acquire the skills they need to succeed in school.
* **National School Lunch Program**, established by Congress in 1946 to distribute federal assistance to public and private schools to provide free or low-cost lunches to schoolchildren.
* **Federal Pell Grant Program**, which provides grants to low-income college students. Pell Grants are accepted at about 5,400 colleges.
* **Supplemental Nutrition Assistance Program (SNAP)**, formerly known as the federal Food Stamp Program. According to its Web site, SNAP "helps low-income people and families buy the food they need for good health."
* **Special Supplemental Nutrition Program for Women, Infants, and Children**, more commonly known as WIC. The program provides healthy food to low-income women supporting children up to the age of five who are, according to the Food and Nutrition Service, "at nutritional risk."
* **Earned Income Tax Credit (EITC)**, provided by the Internal Revenue Service (IRS). The EITC was approved by Congress in 1975 and allows workers with extremely low incomes to receive a tax refund that exceeds the amount of the taxes that they owe.
* **Low Income Home Energy Assistance Program (LIHEAP)**, which provides assistance to poor Americans who have trouble paying their utility bills. LIHEAP funds are distributed to states based on their prevailing weather patterns and their poverty levels.
* **Housing Choice Vouchers**, provided by the Department of Housing and Urban Development (HUD). Housing vouchers allow poor families to either purchase or rent affordable housing. HUD provides a variety of voucher programs. One of the best known is the Section 8 Rental Voucher Program, in which participants must spend 30% of their household income on rent; the government pays the landlord the difference between that amount and the fair rent value for the property as determined by the Public Housing Agency, a division of HUD.
* **Employment and Training Administration (ETA)**, operated by the Department of Labor. The program expands upon unemployment benefits for laid-off workers. The ETA is a major participant in the Obama administration's "green jobs" project, which, the administration says, will provide jobs in the alternative energy industry to Americans. According to the Department of Labor, the ETA will "support on-the-ground apprenticeship and job training programs to meet growing demand for green construction professionals skilled in energy efficiency and renewable energy installations."

Supporters Say U.S. Government Is Obliged to Help the Poor

Proponents of increased federal funding for social-service programs maintain that the U.S. government has a moral obligation to assist low-income Americans. The Declaration of Independence states that "the pursuit of happiness" is a human being's "inalienable right," supporters note. Those proponents argue that happiness cannot be achieved unless one is freed from the shackles of poverty. The federal government, therefore, is duty-bound to provide the basic necessities of life—such as shelter, food and health care—without which no American can hope to achieve happiness, supporters contend. Federal programs such as housing vouchers, food stamps and Medicaid help provide those basic necessities, proponents say, and should be maximally funded.

Despite the recent economic downturn, supporters note, the U.S. is still by far the world's richest country in terms of gross domestic product (GDP), the total value of all the goods and services produced by a country in a given year. It is inexcusable, they maintain, that a country with so much wealth could let so many millions of its people descend into poverty.

That is especially true in light of a February 2009 study which found that growing up in poverty has an adverse effect on the development of children's brains, advocates argue. The study, presented by the American Association for the Advancement of Science, stated that "many young children growing up in very poor families with low social status experience unhealthy levels of stress hormones, which impair their neural development." Children of poverty risk long-lasting damage to their brains, which ultimately limits their ability to transcend their impoverished backgrounds, thereby creating a permanent underclass in the U.S., supporters say.

In fact, supporters of antipoverty programs contend that, without any help from the government, poor people are likely to stay mired in poverty. The reason, they argue, is because being poor is a greater drain on one's relative resources than being comparatively well-off. "The poorer you are, the more things cost," writes *Washington Post* journalist DeNeen Brown. "More in money, time, hassle, exhaustion, menace. This is a fact of life that reality television and magazines don't often explain."

Many proponents further note that living in poverty has almost become the norm for many minorities in the U.S. They point out that in 2007—the last year for which data are available—24.5% of African Americans and 21.5% of Hispanics lived in poverty, compared with 8.2% of white Americans and 10.2% of Asians. Increasing funding for antipoverty programs would help to eliminate that unfortunate racial disparity, supporters maintain.

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| Issues and Controversies: Number of Americans Receiving Food Stamps, by Year (graph) |

By aiding the least fortunate Americans, federal antipoverty programs actually benefit the entire country, advocates assert. Federally funded food stamps and housing vouchers are used to purchase goods and shelter, thereby boosting local economies, proponents note. Increasing funding for the federal school lunch program would lead to healthier lunches that use fresh fruits and vegetables, thereby lowering the rate of obesity in the U.S., supporters say. In addition, if the federal government gave more money to SCHIP, all Americans would "save money and strengthen our economy as kids get more preventative care, instead of waiting for grievous illness to take them to the [emergency room]," writes Bill Scher of the Campaign for America's Future, a politically progressive think tank.

Perhaps the most compelling reason to substantially increase funding for federal social programs is that those programs have been proven to work, proponents say. Krugman notes that, during the years when Johnson's Great Society program was being adequately funded, poverty plummeted; 14% of Americans were living below the poverty line in 1969, compared with 23% in 1963. However, Krugman writes, in the subsequent decades, "American politics shifted to the right, attention shifted from the suffering of the poor to the alleged abuses of welfare [by recipients], and the fight against poverty was largely abandoned." More federal funding of antipoverty programs is necessary to bring the poverty rate back down to a manageable level, proponents assert.

Advocates have argued that the federal government is partially responsible for the plight of many low-income Americans. The reason, they argue, is that the federal minimum wage is far too low. Supporters maintain that it is essentially impossible to live in the U.S. on just $7.25 an hour. They advocate for a "living wage," which would give people enough money to adequately cover the costs of food, child care, education, health care, housing and transportation—and still have some money left over at the end of the month to spend (or save) as they chose. A mandated living wage—which some activists estimate could be as high as $13 an hour—would pull millions out of poverty, proponents claim. However, until a national living wage is established, the federal government has an obligation to provide as much money as it can to antipoverty programs, supporters assert.

Proponents of increased spending on antipoverty programs often have to fend off the argument that programs such as welfare, food stamps and Medicaid make people too willing to accept government handouts without contributing to the national economy in return. Those criticisms are misguided, supporters maintain. They argue that people who rely on welfare and other social programs can hardly be said to live comfortably. In fact, most people who currently benefit from federal social programs are children, proponents note. Approximately three-quarters of welfare recipients in the U.S. are under the age of 18, supporters point out. Critics' attempts to demonize welfare recipients are therefore not based in reality, advocates of increased funding assert.

Critics of increased spending also argue that the government need not concern itself with reducing poverty because there are plenty of nonprofit organizations dedicated to doing just that. Supporters, however, maintain that there are problems with placing social services exclusively in the hands of private charities. A 2008 study conducted by researchers at the University of Chicago, for example, determined that nonprofit antipoverty organizations are less efficient than government programs when it comes to helping poor Americans find employment, education and health care.

Another reason why nonprofit organizations perform poorly is that they receive the bulk of their funding through private donations, proponents note. The money they have at their disposal—and their ability to help low-income people—is therefore subject to the vagaries of the economy, advocates assert. "Private philanthropy dedicated to social services...declines during economic downturns," writes the University of Chicago's William Harms. "Ironically, funding to [private] service programs is cut when the need for help arises."

Antipoverty Programs Are Wasteful and Expensive, Critics Respond

Critics of expanding federal funding for antipoverty programs argue that such programs encourage laziness and complacency among low-income Americans. If Americans know that they can fall back on a generously funded welfare program, opponents contend, they will have little incentive to work very hard. Critics argue that programs such as TANF actually hurt low-income Americans more than they help them, because they discourage them from becoming valuable members of society. People who rely on antipoverty programs have no incentive to increase their earning power, since all of their basic needs are met by the government, opponents maintain.

Antipoverty programs are already a tremendous strain on the federal budget, critics say; funding them further is simply a bad idea. Funding for programs such as Medicaid—which is budgeted for every year, no matter what the state of the economy—threatens to "drown future generations in taxes and debt," according to Brian Riedl and Alison Acosta Fraser of the Heritage Foundation, a conservative think tank. Indeed, the money for such programs has to come from somewhere, critics argue; Riedl and Fraser claim that the lavish funding for antipoverty programs comes at the expense of future generations of Americans, who will be stuck with the bill. According to Riedl and Fraser, unless funding for such programs is reined in,

*America faces a future of soaring taxes and government spending that will cause poor economic performance. Americans will pay onerous taxes, and future generations will have lower living standards than Americans enjoy today.*

Critics argue that many of today's programs are being drastically overfunded, considering that large numbers of eligible Americans choose not to avail themselves of the benefits they are entitled to. According to the USDA, only two-thirds of eligible SNAP recipients participate in the program. Opponents of increased funding maintain that it would be silly to boost the funding for a program when so many eligible Americans are seemingly reluctant to participate.

If anything, the eligibility requirements for government-funded antipoverty programs should be tightened, critics say. Opponents argue that far too many people currently receive benefits, including recently arrived immigrants, both legal and illegal. "For new immigrants, access to social services could be limited to emergency health care," writes William Niskanen of the libertarian think tank the Cato Institute. Niskanen further suggests that "[a]ccess to the full range of social services could be limited, for example, to those who have four years of legal work experience, a record of full payment of taxes, and no felony conviction."

Other opponents of increased funding for antipoverty programs have suggested implementing random drug testing among potential recipients of government benefits. They maintain that such a procedure would ensure that the money is not going to waste. "Nobody's being forced into these assistance programs," says Craig Blair (R), a delegate in the West Virginia House. "If so many jobs require random drug tests these days, why not these benefits?" (West Virginia is one of at least eight states in which lawmakers have proposed testing the recipients of government benefits for drug use. So far, no such legislation has been enacted.) Tightening the eligibility requirements for antipoverty programs would cause fewer people to rely on them, allowing the government to control spending on those programs, opponents assert.

Opponents have also accused antipoverty programs of being rife with corruption and fraud. Americans who do not meet the criteria for receiving benefits have been known to cheat various programs, costing taxpayers hundreds of millions of dollars each year, opponents contend. For example, the Pell Grant Program awards more than $300 million to ineligible students each year, according to Kirk Johnson of the Heritage Foundation.

Critics also point to an incident that occurred in March 2009, when an unemployed woman in Ohio was caught participating in SNAP even though she owned a $300,000 home and an expensive Mercedes automobile (in addition to having approximately $80,000 in savings). Scenarios such as those are surprisingly common in antipoverty programs due to their lax oversight, opponents say; therefore, it is ridiculous to suggest that those programs should be more generously funded.

Many conservative and libertarian critics of antipoverty programs argue that such programs amount to government interference in the lives of Americans, something which is to be avoided at all costs, they maintain. Reagan was right when he declared that "government *is* the problem," critics assert. Programs such as Medicaid and SNAP lean more toward socialism than free-market capitalism, and therefore threaten to reduce the freedoms enjoyed by ordinary Americans, critics say.

Opponents of antipoverty programs point to other countries in which social spending is high to support their point of view. For example, many critics note that Venezuela has vastly increased its spending on antipoverty programs since Hugo Chávez Frías, an avowed socialist, became president in 1998. However, that country is now known for being intolerant of dissent, as Chávez's presidency has become a quasi-dictatorship, opponents charge.

Another country in which social spending is high is Spain, whose prime minister, José Luis Rodríguez Zapatero, is head of the Spanish Socialist Workers' Party. Critics say that exorbitant spending on antipoverty programs in Spain has plunged the country into debt and financial disaster. They note that Spain has arguably been the hardest-hit of any European country in the global economic downturn; its unemployment rate of 17.4% is by far the highest in the European Union (EU). Critics say that the lessons of Venezuela and Spain are clear: Publicly funded social programs foster oppressive governments while posing an immediate threat to economic health.

Besides, opponents argue, Americans have clearly indicated that they do not want to see excessive government spending for any reason, especially on social programs. An April 2009 *National Journal* poll found that Americans believe that greater personal responsibility is the best way to enhance income security in the U.S., while only 15% said government programs succeed in ensuring the economic well-being of Americans. Other polls show that a majority of Americans believe that big government is the biggest threat to the U.S. "Americans are open to good ideas from government, as always, but they are still skeptical and fiercely self-sufficient," concludes David Brooks, a conservative *New York Times* columnist. "Middle-class voters are not willing to hand over higher taxes in exchange for more federal services," Brooks adds.

Indeed, many critics argue that raising taxes to pay for social programs could destabilize U.S. society by pitting its "haves" against its "have-nots." If middle-class and wealthy Americans are forced to pay higher taxes in order to subsidize antipoverty programs, they may grow to resent low-income Americans, opponents argue. Taxpayers may come to view the beneficiaries of antipoverty programs as freeloaders profiting from the hard work of others, critics assert. That resentment may cause those who can afford to make charitable donations to private antipoverty or philanthropic organizations to cut down on their charitable giving, opponents speculate.

Critics assert that there are countless private, nonprofit charitable organizations in the U.S. that ably do the job of feeding, clothing, sheltering and caring for low-income Americans. Those charities include:

* **Share Our Strength.** A nonprofit organization that has partnered with several major corporations (including Sysco Corp., American Express Co. and ConAgra Foods Inc.), Share Our Strength helps to provide food for the 12.4 million children in the U.S. who are at risk of hunger, according to its Web site.
* **LIFETIME.** The Web site of LIFETIME (a rough acronym for Low-Income Families' Empowerment Through Education) states that the group was founded by several "student mothers" who earned degrees from the University of California at Berkeley while raising children on welfare. The group is dedicated to helping single mothers boost their earning power by obtaining college educations and undergoing job-training programs.
* **Habitat for Humanity International.** Founded by Christian missionaries in Georgia in 1976, Habitat for Humanity relies on volunteer labor to build affordable homes for the needy in the U.S. and elsewhere.
* **Feeding America.** Feeding America describes itself as "the nation's leading domestic hunger-relief charity." It claims to provide food assistance to more than 25 million low-income Americans. Formerly known as America's Second Harvest, Feeding America works with more than 200 food banks in all 50 states to distribute food directly to needy families.

Opponents of increasing spending for federal antipoverty programs point to those organizations and others as being better equipped to confront poverty than federal programs, because private charities operate on the open market. Private antipoverty groups must compete with similar groups for donations; therefore, it behooves those groups to devise new, creative solutions to the problem of poverty in order to attract more money, opponents maintain. Government organizations, on the other hand, face no competition for resources, and therefore have no incentive to change their methods, even if those methods fail to pull Americans out of poverty, opponents assert.

Many critics argue that the recent debate over funding antipoverty programs is an overreaction to the recession. More Americans may feel that the government has a responsibility to aid the country's poor during hard economic times, but in reality, low-income Americans are perfectly capable of pulling themselves out of poverty, even during an economic downturn, opponents maintain. "[J]obs, in fact, are available for people trying to get off public assistance," writes Peter Cove, the founder of America Works, a private company that helps hard-to-employ people find private-sector jobs. "In any economy, even this one, there is churn in the labor market. People resign, are fired or die. When that happens, jobs open up." In other words, despite grim economic statistics, there are still jobs available—which essentially eliminates the need to boost spending on antipoverty programs, critics argue.

Finally, opponents maintain that many proponents of increasing funding for antipoverty programs have little credibility on the issue. For example, critics often point to the outcry surrounding Clinton's drastic reduction of welfare benefits in 1996. "One frequently cited study predicted that more than a million children would be thrown into poverty" as a result of welfare reform, writes Michael Tanner, the director of health and welfare studies at the Cato Institute. "Welfare advocates painted vivid pictures of families sleeping on sidewalks, widespread starvation, and worse."

That doomsday scenario did not materialize, however, opponents argue. The percentage of Americans living below the poverty line has declined since welfare reform took effect, they note. Additionally, "[s]urveys of former welfare recipients indicate that they themselves believe their quality of life has improved since leaving welfare.... Many of these former recipients actually praise welfare reform for encouraging them to look for work, for giving them a fresh start, and for giving them a chance to make things better for themselves and their children." All of that happened after funding for welfare was reduced, not increased, Tanner argues. A dramatic, across-the-board reduction of funding for antipoverty programs could likewise ultimately benefit millions of Americans currently living in poverty, critics conclude.