Three common distortions about poverty

By Amy Frykholm

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It is true, as a *Century* editorial recently <u>argued</u>, that poverty did not get the attention it deserved in the presidential campaign. Even more frustrating are the comments often made about poverty and social program when they do come up. Let's look at three common distortions.

More poverty equals better incentives for workers to seek jobs. This is a common underlying assumption when you hear people argue to eliminate antipoverty programs. University of Chicago economics professor Casey Mulligan has recently <u>argued</u> that Obama Administration policies intended to alleviate suffering caused by the recession have in fact "sharply" eroded "the incentives for workers to seek and retain jobs, and for employers to create jobs or avoid layoffs."

This is a twisted logic premised on the idea that people prefer getting food stamps to working. If the richest country in the world would just let more of its people go hungry, we would have a better-motivated workforce that could solve our economic problems all by itself. But motivation is <u>not exactly the central problem</u>.

The Obama Administration's change in policy that allowed states to waive some work requirements meant that thousands of people now get checks for "doing nothing." Nonsense. The flexibility that the Obama Administration introduced allows states to issue waivers to people who are seeking work and getting an education. In the previous program, work requirements were actually inhibiting recipients from seeking work and education that would get them out of the welfare programs. It was a classic bureaucratic Catch-22—all too common for people in poverty in this country.

The best way to help poor people is by private charity. I am absolutely crazy about private charities. I especially love to work for private charities that take no government money—in part because they are freer and more flexible than those that do. But a private charity is no substitute for well-designed and well-implemented public policy. These policies have to be carefully constructed and

honed over time. They must both relieve suffering and help people access opportunities.

For more on poverty and public policy, read <u>my recent interview with Peter Edelman</u> (subscription required).