THE IMPACT OF POLITICAL SYSTEM IN DEALING WITH THE POVERTY PROBLEM IN THE UNITED STATES OF AMERICA

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Abstract

The poor shall never cease out of the land," according to the Bible. Rather being a pessimistic forecast, this prophecy is an acknowledgement that each society defines poverty in its own terms. Primarily because poverty is a relative concept, more than one American in eight is considered poor according to government statistics. In less affluent countries, poverty is equated with living at the brink of subsistence. In United States of America, even the lowest-income families are rarely confronted with the specter of starvation, though many have inadequate diets. As a relative concept, poverty will always be with us because inequality has persisted throughout recorded history. No system distributes income evenly, nor necessarily should it. The reasons for inequality of income are many, some worthy and others unrealistic. Income distribution in the United States today is little different from the pattern just after World War II. This paper is an introduction to the concept of poverty, its prevalence in the United States, and the various government efforts that have attempted to diminish poverty -- or so they claim. The authors have also tried to investigate why there is poverty in America despite public welfare programs, proposal for welfare reforms, and the efforts of the political system in dealing with the poverty problem.

Keywords: political system, poverty, income distribution, welfare reforms

Introduction

Poverty can be defined as insufficient resources for an "adequate" standard of living. However, because standards of adequacy vary with societal wealth and public attitudes toward deprivation, there is no universally accepted definition of basic needs. The amount of money necessary to provide for any agreed-upon set of basic needs is equally difficult to determine.¹

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¹ Sar A. Levitan, Programs in Aid of the Poor. Baltimore: The Johns Hopkins University Press, 1990, p. l.

Public discourse about poverty, joblessness, crime, social alienation, experts-coalesced in the 1980s into a range of debates on the problems of the "underclass," the segment of the poor population who seem permanently mired in social disabilities. Sparked by dramatic claims that liberal interventionist social programs had failed, social scientists have undertaken a deliberate interdisciplinary effort to disentangle the complex sources of persistent poverty and to explore the interrelationships among the multiple problems of the poor in the United States.²

The poverty problem in the United States is becoming apparent. Knowing who the poor are provides insights into the causes of poverty and suggests the reforms necessary to alleviate it. In America poverty exists in all regions of the nation, affects every racial and ethnic group, the young and the old, the employed and unemployed.

People slipped into poverty in the United States in the year 2011, which was 2.6 million, the Census Bureau reported, that the number of Americans living below the official poverty line, in the year 2010, 46.2 million people were in poverty, up from 43.6 million in 2009 -the fourth consecutive annual increase in the number of people in poverty.³ This was the highest number in 52 years.

Economists pointed to a telling statistic: It was the first time since the Great Depression that median household income, adjusted for inflation, had not <u>raised</u> over such a long period, said Lawrence Katz, an economics professor at Harvard. "This is truly a lost decade," Mr. Katz said. "We think of America as a place where every generation is doing better, but we're looking at a period when the median family is in worse shape than it was in the late 1990s."⁴

The bureau's findings were worse than many economists expected, and brought into sharp relief the toll the past decade — including the painful declines of the financial crisis and recession —had taken on Americans at the middle and lower parts of the income ladder. It is also fresh evidence that the disappointing economic recovery has done nothing for the country's poorest citizens. The report said the percentage of Americans living below the poverty line in the year 2010, 15.1 percent, was the highest level since 1993. The poverty line in 2010 for a family of four was \$22, 314.⁵

The report comes as President Obama gears up to try to pass a jobs bill, and analysts said the bleak numbers could help him make his case for urgency. But they could also be used against him by Republican opponents seeking to highlight economic shortcomings on his watch. "This is one more piece of bad news on the economy,"⁶ said

² Katherine O'Sullivan See, "Approaching Poverty Problems in United States: Editorial Comments." Social Problems, Vo1.38, No.4, 1991, p.427.

³ Carmen DeNavas-Walt, "Income, Poverty and Health Insurance Coverage in the United States: 2010". U.S. Census Bureau, Washington, DC, 2011, p.14.

⁴ Carmen DeNavas-Walt, "Income, Poverty and Health Insurance Coverage in the United States: 2010". U.S. Census Bureau, Washington, DC, 2011, p.14. Retrieved 25 January 2012.

⁵ Ibid.

⁶ Elise Foley, "Business Owners Disapprove Of Obama's Job Performance: Poll." The Huffington Post, Posted on 07/26/2012.

Ron Haskins, a director of the Center on Children and Families at the Brookings Institution. This will be another cross to bear by the administration.

The past decade was also marked by a growing gap between the very top and very bottom of the income ladder. Median household income for the bottom tenth of the income spectrum fell by 12 percent from a peak in 1999, while the top 90th percentile dropped by just 1.5 percent. Overall, median household income adjusted for inflation declined by 2.3 percent in 2010 from the previous year, to \$49,445. That was 7 percent less than the peak of \$53,252 in 1999. Part of the income decline over time is because of the smaller size of the American family.

Up to this day is not likely to be any better, economists said. Stimulus money has largely ended, and state and local governments have made deep cuts to staff and to budgets for social programs, both likely to move economically fragile families closer to poverty. Minorities were hit hardest. Blacks experienced the highest poverty rate, at 27 percent, up from 25 percent in 2009, and Hispanics rose to 26 percent from 25 percent. For whites, 9.9 percent lived in poverty, up from 9.4 percent in 2009. Asians were unchanged at 12.1 percent.

An analysis by the Brookings Institution estimated that at the current rate, the recession will have added nearly 10 million people to the ranks of the poor by the middle of the decade. Joblessness was the main culprit pushing more Americans into poverty, economists said.

In the year 2010, about 48 million people ages 18 to 64 did not work even one week out of the year, up from 45 million in 2009, said Trudi Renwick, a Census official. "Once you've been out of work for a long time, it's a very difficult road to get back," Mr. Katz said. Median income fell across all working-age categories, but was sharpest drop was among the young working Americans, ages 15 to 24, who experienced a decline of 9 percent.⁷

According to the Census figures, the median annual income for a male full-time, yearround worker in 2010 — \$47,715 — was virtually unchanged, in 2010 dollars, from its level in 1973, when it was \$49,065, said Sheldon Danziger, professor of public policy at the University of Michigan. Those who do not have college degrees were particularly hard hit, he said. "The median, full-time male worker has made no progress on average," Mr. Danziger said.⁸

The recession has continued pushing 25-to-34-year-olds to move in with family and friends to save money of that group, nearly half were living below the poverty line, when their parents' incomes were excluded. The poverty level for a single person under the age of 65 was \$11,344.

⁷ Lawrence F. Katz, Differences and Changes in Wage Structures, Co-edited with R. Freeman, University of Chicago Press and NBER, 1995.

⁸ Sheldon H. Danziger, and Cancian, Maria, Changing Poverty, Changing Policies. New York: Russell Sage Foundation, 2009. Abstract Publisher Link

"We're risking a new underclass," said Timothy Smeeding, Director of the Institute for Research on Poverty at the University of Wisconsin, Madison. "Young, less-educated adults, mainly men, can't support their children and form stable families because they are jobless," he added.⁹

But even the period of economic growth that came before the recession did little for the middle and bottom wage earners. Arloc Sherman, a senior researcher at the Center on Budget and Policy Priorities, said that the period from 2001 to 2007 was the first recovery on record where the level of poverty was deeper, and median income of working-age people was lower, at the end than at the beginning. "Even before the recession hit, a lot of people were falling behind," he said. "This may be adding to people's sense of urgency about the economy."¹⁰

The suburban poverty rate, at 11.8 percent, appears to be the highest since 1967, Mr. Sherman added. Last year more Americans fell into deep poverty, defined as less than half the official poverty line, or about \$11,000, with the ranks of that group increasing to 20.5 million, or about 6.7 percent of the population. Poverty has also swallowed more children, with about 16.4 million in its ranks last year, the highest numbers since 1962, according to William Frey, senior demographer at Brookings. That means 22 percent of children are in poverty, the highest percentage since 1993.

The increase in poverty resulting from the 1990-91 recession in the United States may shift political attention toward the effects of socioeconomic inequality on American national life and invite fresh and creative thinkers into the continuing political debates about responding to the persistence of poverty.

Public welfare programs and lack of uniform standard

Many Americans believe that United States has enough resources to eliminate poverty. However, Americans disagree about the best way to accomplish this task. The U.S. government-along with the state governments have been fighting to reduce poverty with different programs.

Debates continue on both the overall effectiveness of reducing poverty and why the programs have not been more successful at fighting poverty. The common conception of "antipoverty program" molds thinking and policy choices in a way that is not constructive to reducing poverty. The purpose of "antipoverty" program is to move people from poverty and to help them to avoid poverty.

When President Lyndon Johnson declared the war on poverty in 1964, he had good reason to believe that the federal government could succeed in ridding itself of the paradox of widespread poverty in the world's wealthiest country. The specific battle plan drawn up by the Johnson administration for the War on Poverty failed to match the rhetorical artillery the president employed. The effort was little more than a call for

⁹ Timothy M. Smeeding, and John Ermisch, Markus Jäntti, From Parents to Children: The Intergenerational Transmission of Advantage, editors, Russell Sage Foundation, May 2012.

¹⁰ Arloc Sherman, Danilo Trisi and Matt Broaddus, "Poverty Rate Second-Highest in 45 Years; Record Numbers Lacked Health Insurance, Lived in Deep Poverty." PDF of this report (11pp.), September 14, 2011.

Actually a focus on the conduct of the official War on Poverty was misleading. If the war effort is understood instead as the sum total of Great Society programs enacted and enhanced during the Johnson and Nixon administrations, then the transformation of a broad range of social welfare programs in the late 1960s and early 1970s can, in comparison with previous government efforts, truly be declared a full-scale war. The elderly, for whom the poverty risk in 1960 was higher than one in three, obtained easy access to low-cost medical services and greatly improved retirement benefits. Cash assistance to the blind, deaf, and disabled was increased, funded more completely by the federal government, and indexed to changes in the cost of living. Eligibility restrictions were relaxed on aid given to needy families with dependent children, and food stamps and medical assistance were added as supplements to the cash assistance these families received. Special education programs for the disadvantaged and the handicapped were enacted. Head Start was provided to very young children, and job training programs were offered to those entering the labor market. The amount and variety of housing subsidies available to qualifying families also increased.¹²

Presidents Nixon and Carter both offered welfare-reform programs that would have accomplished these goals, and each drew a similar response from the liberal community: the plans were said to contain "some improvements" but had to be opposed because they were also "inadequate" and "inhumane." These plans were found "inadequate" and "inhumane" not because there was some shortcoming in the plans that demonstrated a clear lack of compassion on the part of the administration but, rather, because liberals failed to reconcile the mutually inconsistent goals they sought from reform: more accountability but less administrative complexity and welfare "stigma," more generous welfare benefits but stronger incentives to work off of welfare, and so on. The Nixon and Carter welfare-reform plans achieved several desirable liberal goals while simultaneously producing some undesirable consequences.¹³

During the first of the Regan administration, various liberal organizations loudly lamented the administration's reforms to the welfare system, citing them as a burden that was being unfairly hoisted on the back of the nation's poor. Particularly galling to organized labor, civil rights organizations, progressive periodicals, and various liberal

¹¹ James L. Sundquist. Politics and Policy: The Eisenhower, Kennedy, and Johnson Years. Washington, D.C. The Brookings Institutions, 1968, pp.111-154.

¹² Paul E. Peterson, "The Urban Underclass and the Poverty Paradox." Political Science Quarterly, 106:617-38, Winter 1991/92, p.619.

¹³ Michael T. Hayes. Incrementalism and Public Policy. New York: Longman, N.Y. 1992, p.169.

intellectuals was the administration's gutting of the CETA jobs program as well as its reductions in food stamp benefits and aid to families with dependent children.¹⁴

For any defender of the rights of the poor, but particularly for purported spokesman for the "underclass," welfare reform remains a subject of immense importance. However one defines the underclass, it is clear that a very substantial portion of it does receive welfare. Despite, for example, the recent halt in the growth of aid to families with dependent children (AFDC), 11 million Americans (or about 5 percent of American population) are still on AFDC. In 1979, this large group had an average stay on the program roll of forty-five consecutive months, or just less than four years.¹⁵

Aid to Families with Dependent Children (AFDC) failed to produce anything remotely approximating a uniform welfare policy for women with dependent children. AFDC is a very different program for each state, because of the fragmentation, with different benefit level and very different eligibility standards and with all categorical grant programs, AFDC is administered inter-governmentally. While the federal government provides money to the state according to a matching funds formula, there is no mandatory minimum benefit level. Each determines a "standard of need," which is typically set below the federal poverty line, and then decides what percentage of that needs standard it will pay in welfare benefits. Many states set welfare benefits well below their needs standards. The end result is a vast disparity in benefit levels across states.¹⁶

Basically the purpose of AFDC is to ease the consequences of being low income and not to move people from poverty is clear from the states' separate payment standards. In no state does an AFDC check alone move a family above the poverty threshold. In 1987 the poverty threshold for a family of four was \$11,611 of annual gross income. The state among the contiguous states with the highest maximum welfare benefit was California which paid \$9,036. At the other extreme was Mississippi which made available a maximum of \$1,728 annually for a family of four. The average amount across all states was \$5,528, an amount slightly less than half of the poverty line.¹⁷

According to Northrop, AFDC is not designed to move people from poverty are the policy choice to leave the benefit levels unadjusted for annual inflation. The poverty threshold is raised each year corresponding to cost of living increases in an effort to have it represent a constant standard of living over time. On average across the states from 1978 to 1987, the real change in the maximum AFDC benefits was a 15 percent decline. Not only is AFDC not intended to move families out of poverty, it is not designed to provide a consistent level of public assistance in dealing with the problems of having a low income.¹⁸

¹⁴ David Whitman, "Liberal Rhetoric and the Welfare Underclass," Society, November- December 1983, p.63. 15 Ibid.

¹⁶ Hayes, op. cit., p.170.

¹⁷ Emily M. Northrop, "Public Assistance and Antipoverty Programs or Why Haven't Means-Tested Programs Been More Successful at Reducing Poverty," Journal of Economic Issues, Vol. xxv, No.4, Dec. 1991, pp. 1017-1027.

¹⁸ Ibid.

Another approach to defining this problem is provided by Hayes he says that, this entire fragmented system of cash and "in-kind" aid to the poor is not designed to move a family over the poverty line and out of poverty, or to provide poor families with a standard of living "equivalent to" the poverty threshold. Rather, the purpose of the food stamp program is to reduce hunger and malnutrition, housing subsidies are aimed at making available adequate shelter, and Medicaid is to provide health care. In the case of Medicaid it is particularly apparent that the goal is to ease the conditions of being poor, but not to remove the person from official poverty; no one suggests that the desired maximum level of provision of health care is some "poverty line equivalent," an amount that income equal to the official poverty threshold would afford.¹⁹

Another example can be examined in the case of negative income tax. The negative income tax had great appeal to students of social welfare policy because it does a better job than the existing system of meeting four basic tests of a good welfare policy. First, it alleviates poverty (the adequacy criterion). Second, it improves the overall operation of the economy by creating a positive incentive to work (the efficiency criterion). Third, it treats like cases alike (the principle of horizontal equity). Finally, it gives aid in proportion to need (the principle of vertical equity).²⁰

In order to prevent such a discriminative allocation of funds and to avoid the unexpected migration of poor people from low-benefit-states to high benefit-states, policy makers should have set standards as mandatory requirements at the beginning. Both the Congress and the administration should review their organizations--committees and sub-committees and numerous agencies in the Executive branch-in order to develop an effective policy making procedure.

The Liberal and Conservative Dilemma

Twenty years after the beginning of Lyndon Johnson's "War on Poverty," the causes of urban poverty are still being hotly debated. Not only have the social ills addressed by Johnson's "war" failed to disappear, but income inequality has grow, poverty has become more persistent, and income deprivation has become more geographically concentrated.²¹

Several scholars have attempted to document and explain the failure (and successes) of anti-poverty programs over the past two decades, but they have reached few firm conclusions. A major difficulty in evaluating the effect of welfare programs is that their implementation, expansion, and decline over the past 20 years occurred concomitantly with dramatic shifts in the structure and performance of the American economy. This confounding of policy innovation and economic change has created considerable ambiguity--more than enough for two lines of reasoning to emerge as tenable explanations for the persistence of urban poverty.²²

20 Ibid.

¹⁹ Hayes, op. cit., p.173.

²¹ Mitchell L. Eggers, "The Structural Determinants of Urban Poverty: A Comparison of Whites, Blacks, and Hispanics." Social Science Research, 20:217-255, Spring 1991.

The conservative view is exemplified by Charles Murray who argued, in his 1984 book 'Losing Ground,' that the expansion of federal welfare programs changed the incentives facing the poor, making it "profitable for (them) to behave in the short term in ways that were destructive in the long term. Specifically, he argued that federal antipoverty programs implemented during the 1960s--notably Aid to Families with Dependent Children (AFDC)--altered the economic incentives governing the behavior of poor men and women. The accessibility and generosity of federal welfare programs reduced the attractiveness of marriage to poor women, increased the benefits of out-of-wedlock childbearing, and reduced the attractiveness of low-wage labor for poor men. As a result, male labor force participation rates fell, rates of unwed childbearing rose, and female-headed families proliferated. These trends drove poverty rates upwards and created a new population of persistently poor families.²³

The liberal response was elaborated by William J. Wilson in his 1987 book, 'The Truly Disadvantaged.' He argued that the causes of poverty lay not in the incentive structure of federal welfare programs, but in the changing organization and performance of the urban economy. Focusing particularly on the plight of urban blacks, he argued that the decline of manufacturing, the suburbanization of employment, and the rise of the service sector reduced the number of inner city jobs with wages sufficient to support a family. As a result, poor men were discouraged from working, rates of male unemployment and underemployment rose, and the pool of "marriageable" partners for poor women shrank, making marriage less attractive. Out-of-wedlock childbearing consequently rose, and female-headed families became more prevalent. Blacks suffered disproportionately from these trends since they were concentrated in older urban cores where the economic restructuring was most acute.²⁴

Adding to the inevitable difficulty of designing a reform plan that can accommodate conflicting interests is the fact that there is no natural political constituency, except the states, pushing for reform. Welfare recipients are poorly organized and vote rarely, so they exert precious little pressure on Congress to reform the system. In the absence of such pressure, congressmen would prefer not to deal with the issue at all, since whatever they do will be criticized as weakening work incentives, handing money to "welfare chiselers," or depriving helpless families and children of their only support. Welfare reform, in short, requires political tenacity and a willingness to make painful choices. The liberals, as shall be seen shortly, were willing to pick but not to choose.²⁵

Political Interest and the Role of Presidents and Bureaucrats

In late 1969, President Nixon advanced the Family Assistance Plan (FAP) as his welfare-reform program. FAP would have replaced the existing mélange of welfare programs with a negative income tax (of sorts) and contained a pledge that no recipient would have his federal benefits lowered as a result of reform. Welfare coverage would be expanded to all families with children (including single-parent families headed by

²³ Charles Murray, Losing Ground: American Social Policy 1950-1980. New York: Basic Books, 1984, p.9.

²⁴ William Julius Wilson. The Truly Disadvantaged: The Inner-City, The Underclass and Public Policy. Chicago: University of Chicago Press, 1987.

²⁵ Whitman, op. cit., p.64.

men, previously not covered in half of the states). President Nixon offered a reform plan that was more generous and radical than any offered by his predecessors. FAP was opposed by the Southerners because of increasing welfare benefits for blacks in the South would both increase their political power and undermine the local cheap-wage structure.²⁶

Despite the House victory in June 1971, FAP stalled again in the Senate Finance Committee, and Nixon ultimately dropped his support for welfare reform in 1972 when he stuck by FAP and refused to endorse Ribicoff's bill (even though the president knew FAP would go down to defeat). By this time, Ronald Reagan was challenging Nixon for the Republican nomination and accusing his of sponsoring a "megadole" plan, thus making Nixon anxious about a challenge from within his own party.²⁷

In September 1977, President Carter sent Congress his Program for Better Jobs and Income (PBJI), a comprehensive plan for welfare reform. Like the FAP proposal, PBJI would have lowered (minimally) welfare benefits for some northern recipients, the degree to which this would occur depending on how the states decided to supplement the federal benefits. Unlike FAP, however, PBJI extended welfare coverage for the first time to single individuals and childless couples. The Carter plan, in short, provided generally for an increase in welfare benefits, particularly for the poorest recipients, and entailed a significant expansion of the welfare rolls. The most important feature, however, distinguishing PBJI from FAP, was the inclusion of a huge government-jobs program for welfare recipients.²⁸

During the waning days of the President Johnson administration, policy analysts at the Department of Health, Education, and Welfare developed a negative income tax plan and tried to convince Wilber Cohen, then secretary of HEW, to propose it to President Johnson. Cohen dismissed this plan, partly because he believed programs targeted at the poor had less political appeal than social insurance programs benefiting the middle class, and partly because the president had recently rejected a less radical proposal to make participation in the AFDC- UF program mandatory for all states. During the transition period, and into the first year of the administration, President Nixon would be forced to turn for advice to holdovers from the Johnson administration. Ironically, these policy analysts would find the new and ostensibly conservative administration more receptive to their proposals.

After taking over as the President Nixon created a task force, headed by Richard Nathan, to make policy recommendations on welfare reform. For export advice, Nathan turned to various members of the welfare policy establishment, virtually assuring that the recommendations ultimately emanating from the task force would propose at best incremental changes in existing programs.

The Nathan task force gave primary emphasis to the wide disparities in AFDC benefits across states. The federal government would set a mandatory nationwide minimum

²⁶ Ibid.

²⁷ Ibid.

²⁸ Ibid.

benefit level, to be paid for by the federal government. The states would continue to administer welfare, but the federal government would now pay the full federal floor, plus one-half of any additional payments by which a state chose to supplement the basic benefit. The Nathan plan would thus simultaneously achieve two important goals, dramatically raising benefit levels in low-benefit states, while at the same time providing fiscal relief to states currently paying generous benefits.²⁹

To Lindblom, that the policy process is typically remedial. Utopian ideals are too abstract to serve as precise guides to policy; as a result, policy makers tend to move away from problems in need to alleviation rather than toward intangible objectives. The welfare reform issue in President Nixon's fist term is no exception to this generalization. AFDC had become a serious problem by the time President Nixon took office in 1969. It discouraged recipients from working and encouraged the dissolution of intact families. There were major disparities in benefit levels across states. Even more important, the vast majority of families headed by able-bodied male--particularly those who succeeded in finding full-time low-paying employment--were simply ineligible for the program. Finally, the program increasingly provided aid to unwed mothers rather than widows, and costs were escalating rapidly.³⁰

Office Term of President and Policy Makers

Basically the time period in offices of presidents and the policy makers are relatively very short to deal with different national problems including a vast urban poverty problem. By the time the policy makers get acquainted in their offices, particularly in the case of representatives in the House, they mostly concentrate and use their efforts for the reelection following year. In case of president, he does it only after two years in the office. During their tenure in the office they always handle more attractive agenda which draw more attention from their constituencies rather than spending more time and efforts on the less attractive programs such as welfare reform.

President and his Political Party

In American political system, the president is free to move beyond his party to construct a different coalition on every issue, and Democrats in Congress are much more supportive to higher spending and expanded coverage than are Republicans. During his president-ship Nixon faced the Congress in which both houses were controlled by the Democratic Party.

Unfortunately, the president's welfare reform proposal tended to divide both parties. Whenever, social welfare initiatives have been proposed by Democratic presidents, the resulting congressional debate has tended to take on party lines; Northern liberal Democrats support such initiatives with enthusiasm while party pressures compel potential conservative defectors to support their president's program. At the same time,

²⁹ Hayes, op. cit.., p. 177.

³⁰ Ibid., pp.178-79.

Republicans in Congress (with a small number of liberal exceptions) have been most comfortable in opposition both to new initiatives and to higher welfare spending.³¹

With a Republican president proposing a major expansion of the welfare state, Republican conservatives were forced to choose between their principles and their present, while Southern Democrats were free to engage in opposition. At the same time, liberal Democrats, who might have supported the bill if it had been introduced by a Democratic president, were protective of their party's historical monopoly on the initiative in the policy area and, in any case, tended to despise and distrust President Nixon for his highly partisan attacks on various liberals in election campaigns dating back over two decades.³²

There are many committees and sub-committees in both Houses of the Congress to pass a bill, and both political parties have different political interests for their own, rather than one national program, it seems very difficult to produce an acceptable program on which everybody in both parties can be agreed.

Talking on the poor the White House has issued a statement regarding the President Obama's vision about the poverty, which is his one of the Guiding Principles, says that, "President Obama has been a lifelong advocate for the poor. As a young college graduate, he rejected the high salaries of corporate America and moved to the South Side of Chicago to work as a community organizer. As an organizer, President Obama worked with Chicago residents, churches, and local government to set up job training programs for the unemployed and after-school programs for kids. As President, his life experiences inform his efforts to create a path of opportunity for all hard-working Americans to enter the middle class. President Obama will lead a new federal approach to revitalize communities stricken by the economic crisis as well as communities that were hurting before it began."³³

Conclusion

To conclude with, the idealization of benevolent rests upon the foresight and vision of political masters, the problems faced by the under classes are varied and complex, and a simple solution does not exist. Poor families, especially underclass families, face multiple barriers as they attempt to overcome their circumstance. No one single program can overcome all the obstacles they face. An effective strategy will have to be multifaceted and include co-services, housing, health, employment and job training, education, economic development, transportation, and criminal justice, which are exclusively meant for solving the problems.

Most of the current literature on poverty politics focuses at the national level on the possibility of building a national movement to address employment and family policies, which are aimed at the strengthening of the family values and eradication of poverty issues. The poverty problem is to be considered as a national problem and it has to be

³¹ Ibid.

³² Ibid.

³³ The White House statement, regarding President Obama's vision about poor/poverty, which is his one of the Guiding Principles

resolved. In order to resolve this problem, an independent research group may be appointed and funded by the federal government to provide the advice the president and the policy makers continuously regardless the term limit of their offices.

In view of the poverty problem Skocpol and Robert Greenstein's proposal calls for addressing poverty through universal programs that serve all income classes. The universal programs have broaden and stronger constituencies. These programs tend to be less stigmatizing than targeted programs. They argued that, targeted programs have a narrow base; they are doomed to yield disappointing results. But the universal approaches do better, last longer, and nearly always prove preferable. Further they suggest, this will require a much more centralized, comprehensive, and integrated welfare system then the nation currently has and need to be consolidated.³⁴

Adopting such a policy does not entail the rejection of Charles Murray's argument that our present welfare system discourages participation in the mainstream economy. There is something wrong about a health care system that provides assistance to the nonworking indigent but will not help those in laws-paid jobs where employers do not provide health insurance. There is also something wrong about a system in which the movement from welfare to work must be abrupt and expensive. An integrated, comprehensive national welfare policy could provide a more flexible response to those who move in and out of low-skilled low-paid employment,³⁵ such as the Medicare by the President Barrack Obama.

Indeed, the economic and social plight of the underclass calls for public policies that benefit all the poor, not just poor minorities. We have in mind policies that address the broader, and more difficult to confront, problems of societal organization, achieving effective welfare reform, and developing a comprehensive economic policy to promote sustained and balanced urban economic growth. Unless these problems are seriously addressed, we have little hope that public policy can significantly reduce social dislocation and poverty problem in the United States, and hence effectively check the menace of poverty.³⁶

Just like almost every other social problem that the government tries to solve, the results of the "War on Poverty" have been a massive disaster. After \$7 billion of wasted expenditures (more than twice the cost of World War II!), the number of official poor remains fairly constant. But the story is much worse: millions of people are now on the morale destroying dependency on the government, the institution of marriage among African Americans has been essentially destroyed, criminal activity among welfare recipients is much higher than among the working poor, and education is a total failure. It would be easy to conclude that this was done on purpose for how else such a damaging program could be enthusiastically continued.

³⁴ Theda Skocpol, "Targeting Within Universalism: Politically Viable Policies to Combat Poverty in the United States." Urban Underclass, p.413.

³⁵ Murray, op. cit., pp.9-10.

³⁶ Wilson, op. cit., p.20.

It is so obvious to anyone with half a brain (which apparently excludes most politicians) that the "War on Poverty" approach can only make things worse. To illustrate, it is quoted form Rector's paper that, "The welfare system that has existed for the past 30 years may best be conceptualized as a system that offered each single mother with two children a "paycheck" of combined benefits worth an average of between \$8,500 and \$15,000, depending on the state. Hence, the social sector in the United States through going through rigorous improvements and inaction of laws still requires much needed attention of policy-makers. The classical example of massive social legislature is recorded during the times of President Lyndon B. Johnson and they were part of Johnson's 'Great Society' doctrine. The Obama administration could have exemplary precedent whereby it would enhance the socially, excluded people in the United States.