

**Long-Term Government Funded Programs:
A Study of Their Impact on Poverty in the United States**

by

Rogette Nicole Harris

ISBN: 1-58112-320-5

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STRAYER UNIVERSITY

**LONG-TERM GOVERNMENT FUNDED PROGRAMS:
A STUDY OF THEIR IMPACT ON POVERTY IN THE UNITED STATES**

**A DIRECTED RESEARCH PROJECT SUBMITTED TO THE FACULTY OF
THE GRADUATE SCHOOL OF PUBLIC ADMINISTRATION IN PARTIAL
FULFILLMENT OF THE REQUIREMENTS FOR THE
DEGREE OF MASTERS IN PUBLIC ADMINISTRATION**

**BY
ROGETTE NICOLE HARRIS**

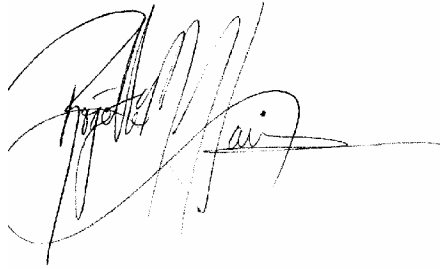
WASHINGTON, DC

DECEMBER 2005

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A handwritten signature in black ink, appearing to be 'R. M. Fair', written over a horizontal line.

Date: December 12, 2005

ABSTRACT

Several policymakers, public administrators, the media, and others have celebrated the “success” of the latest anti-poverty policy reforms. Is success a type of economic form or an assessment of the quality of one’s life? Success is often defined in some type of economic form, even though it does not always provide a true sense of the effect of policy changes. Assessing the human impact of policy change requires more. It requires knowing about the resources of beneficiaries of social services and their conditions of life from various perspectives; therefore, we must strive to understand the socio-cultural aspects of people’s lives that create the whole person, which evaluates one’s *quality of life*.¹

This study examines long-term government funded social programs. More significantly, it answers the question: Have long-term anti-poverty policies alleviated poverty in the U.S.? This study also outlines poverty’s major root causes, current strategies, and presents a brief historical background on poverty in the United States.

Both qualitative and quantitative data were used for this study compiled by the U.S. Census Bureau and other affiliated agencies. Library resources included electronic and computer database searches. Policy analysis research studies from Democrat, Republican, and Independent Think Tanks, economists, and scholars were assessed.

The main research question is: What is the impact of long-term anti-poverty policies in the United States? The sub-questions are: What are major historical perspectives and arguments on government funded anti-poverty policies? What are the major root causes of poverty in the United States? What is the relationship between the economy and government, and does it result in income disparity? What are major anti-poverty strategies implemented to decrease U.S. poverty?

When the U.S. government waged war on poverty in the 1960s, poverty was defined by income. Therefore, the obvious solution was to correct the income shortfall. This brings us to an equation seen throughout this study: **POVERTY + MORE MONEY = RELIEF**.² Decades of research and experience with antipoverty programs have made it clear that poverty involves more complex, interrelated and sometimes-intractable socioeconomic, family, and individual issues; in addition, putting millions of dollars into long-term government funded programs is not the absolute solution. In reality, this money put into social programs have in many ways led to more poverty, as well as state and federal deficits. John F. Kennedy once stated in the early 1960s: Ask not what your country can do for you, but what you can do for your country.³ The more long-term social programs are increased, the more chances generations of Americans will continue to be trapped in a continuous cycle of becoming more needy, dependent, and poor,⁴ which does not help the individual, their family, the American public, and certainly not the United States economy.

¹ R. Erikson, (1993), “Descriptions of Inequality: The Swedish Approach to Welfare Research.” In Martha C. Nussbaum. & Amartya Sen (eds), *The Quality of Life*. NY, NY: Oxford University Press.

² Rebecca Blank (1988) "The Effect of Welfare and Wages Levels on the Location Decisions of Female-headed Households," *Journal of Urban Economics* 24: 186-211.

³ Inaugural Address, Jan. 20, 1961

⁴ Rogette N. Harris. (2005): *Long-Term Government Funded Programs: A Study of Their Impact on Poverty in the United States*.

ACKNOWLEDGEMENTS

The longer I live, the more I realize the impact of attitude on life.

Attitude is more important than facts. It is more important than the past, than education, money, than circumstances, than failures, than successes, than what other people think, say, or do. It is more important than appearance, giftedness or skill. It will make or break a company ...a church ...a home. The remarkable thing is we have a choice everyday regarding the attitude we will embrace for that day. We cannot change our past ...we cannot change the fact that people will act in a certain way. We cannot change the inevitable. The only thing we can do is play on the one string we have, and that is our attitude ...I am convinced that life is 10% what happens to me and 90% how I react to it. And so it is with you ...we are in charge of our attitudes.

- Charles Swindoll

The process of writing my directed research project to complete my first Master's degree was a challenge, intellectual stimulating, emotional, and fun! I would first like to thank God for giving me the strength, faith, and tools to complete this task. It is through him that I have the capability to strive and eventually someday reach my goals. Through him, all things are possible. Most specifically, I would like to thank God for giving me my mother. She has always taught me to compete with just myself and to be the best person I can be. It is through her support, love, and confidence that I am the person I am today. In addition, she has taught me as the quote above states how important attitude is and to always believe in myself, and most importantly to never let my circumstance dictate my decision. Lastly, I would like to express thanks to anyone who has helped me along my educational career thus far.

Last but not least, I would like to thank the United States Constitution, specifically, the first amendment that grants freedom of speech for allowing me to conduct this research. The beauty of the United States of America is its allowance of its citizens to not only express their opinions, but to research and improve government policies to make it more efficient and effective for its citizens. Many people could not do a project like this openly and freely in other countries. It is these key principles that make this a terrific and unique country, which I am proud to be part of. For:

“Opinions cannot survive if one has no chance to fight for them.”

Thomas Mann

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ABBREVIATIONS & GLOSSARY

AFDC	Aid to Families with Dependent Children
EITC	Earned Income Tax Credit
F.D.R.	Franklin D. Roosevelt
GAO	The U.S. General Accounting Office
GDP	Gross Domestic Product
L.B.J.	Lyndon B. Johnson
NCLB	No Child Left Behind Act
P.A.	Public Agenda
PRWORA	Personal Responsibility and Work Opportunity Act
SSI	Social Security Income
TANF	Temporary Relief for Needy Families
U.S.	United States
WIC	Women, Infants, and Children
WWII	World War II

CHAPTER 1

INTRODUCTION

- ✓ The number of people living in poverty increased by 1.1 million in 2004 in the United States, increasing for the fourth consecutive year.
- ✓ Approximately 40 million people in the U.S. are currently living in poverty.
- ✓ Poverty stayed the same for African-Americans (24.7%) and Hispanics (21.7%), but rose for non-Hispanic Whites (8.6%) and for Asian Americans (9.8%).
- ✓ 1 in 5 children lived in poverty in 2004, which equates to 17.8%.
- ✓ The poverty rate and number in poverty rose among adults aged 18-64 (11.3%), which equates to 20.5 million adults.
- ✓ 1 in 7 Americans lived without health insurance in 2004 (46 million).

Statistics reported by the United States Census Bureau⁵

The above statistics are startling for the country considered the world's only Global Power. How can a nation that constantly comes to the aid of other countries not be able to provide for its own citizens? The answer to this simple question is multi-faceted. There are many contributing factors leading to the poverty problem in the United States (U.S.). More importantly, have long-term anti-poverty government funded policies alleviated poverty in the U.S.? This question is at the heart of this research study. Whether they have or have not, these policies affect the economic, political, and social conditions of all Americans. This includes Americans paying for these policy initiatives or the long-term participants themselves. For the purposes of this paper, participatory on a long-term government funded social program is defined as *participants partaking in an anti-poverty initiative for more than five years⁶*.

Many experts suggest that the result of expanding government assistance is more poverty imposing itself upon Americans with staggering local, state and federal deficits. On the other hand, even though anti-poverty policy initiatives have not eliminated the

⁵ The United States Census, 4 October 2004 [Bureau on-line]; available from <http://censusbureau.com> = Internet; accessed 18 August 2005.

⁶ Rogette N. Harris. Long-Term Government Funded Programs: A Study of Their Impact on Poverty in the United States. 2005. pp. 1

poverty problem, these programs have produced some results. Without them, more Americans would be living in poverty.

Sheldon Danziger and Gary Sandefur, two well-known and respected poverty researchers have drawn the following profile of poverty: Non-Hispanic whites have lower poverty rates than African-Americans, Hispanics and other racial disadvantaged groups; adults in their prime years have lower poverty rates than children and the elderly; men have lower poverty rates than women; and married-couple families have lower poverty rates than single female or male-headed families.⁷ Generally speaking, this profile has been consistent throughout U.S. history. However, one exception to this rule worth mentioning is in the shift in poverty after 1973 from the elderly to children.

At first, fighting poverty appears to be simple arithmetic (POVERTY + MORE MONEY = RELIEF).⁸ The history of the U.S. has shown this equation to be inaccurate, although many experts and policy makers still believe this is the answer to America's poverty problems. This research study will explore both arguments. To issue money "hand outs", as the above equation suggests, the government must set up eligibility rules. These rules are based on what the government feels the average person needs to survive. Currently, the U.S. Census Bureau defines a family of four poor if their yearly income is less than \$19,000 per year, which equates to a little over \$4,000 per person.⁹ But because there is no consensus on what makes a person "poor". Many specialists believe these "hand outs" encourage people to make "poor" choices; meaning there is a lack of self-

⁷ U.S. Department of Labor: Issue 10, American Poverty: The Role of Education, Training and Employment Strategies in the New Anti-Poverty Struggle. 1

⁸ R. Blank (1988) "The Effect of Welfare and Wages Levels on the Location Decisions of Female-Headed Households," *Journal of Urban Economics* 24: 186-211.

⁹ The United States Census, 4 October 2004 [Bureau on-line]; available from <http://censusbureau.com> = Internet; accessed 18 August 2005.

motivation to better their lives. For example, it can be argued that long-term benefits for the unemployed encourage people to be laidback in seeking employment; in addition, long-term benefits for children of unwed mothers encourage young women to have children out of wedlock. As well as, subsidized taxes can prevent individuals from getting more training or an education to increase low wages. The key word here is **long-term**. This research project will not include analysis on short-term assistance programs, for example, workers compensation.

Context of the Problem

Americans for the most part can be proud of their country's history. It is a history of wealth with great quantities of resources; however, one sore thorn in U.S. history is poverty, which has been omnipresent from the colonial period to the present day. Just how many Americans have lived in poverty over the course of more than three centuries is impossible to measure because of scarce data, in addition, poverty was not measured in the U.S. until the 1960's. The definition of poverty has also changed numerous and has always been and still is subject to debate. The current universal definition of poverty is defined in terms of *an individual's ability to meet basic needs: food, clothing, shelter, medical care, and education.*¹⁰

Poverty became a more visible social problem in the 18th century after the Seven Years' War. Despite economic growth, poverty persisted in the 19th century. During this time, the U.S. witnessed enormous population growth, rapid urbanization, and the formation of a large industrial working class that was comprised of the working and non-working poor. In the 19th century, poverty was identified primarily with urban society

¹⁰ R. Allen Hays, "Understanding Poverty" A Road Map for a Complex Issue. University of Northern Iowa: April 2002. pp. 5

and crowded urban ghettos; therefore, poverty was no longer just a rural problem. Robert Hunter, a historian during this time period estimated that 10 million people (12% of the population) were poor at the turn of the century; however, more recent analysts have concluded that Hunter's estimates were far too low, that roughly 40% of all Americans were in poverty in 1900.¹¹

The first quarter of the 20th century witnessed a significant decline in poverty; however, the Great Depression reversed these gains. After the Great Depression, poverty rates fell again, but began to grow momentum again in the 1950's, and skyrocketed in the 1960's, which prompted former President Lyndon B. Johnson (L.B.J.) to declare a War on Poverty in his 1964 state of the union speech.

Rapid economic growth, in combination with government funded assistance led many Americans to believe poverty was no longer a problem in the early 1940's. This assumption was proven wrong. The Kennedy and Johnson administrations re-ignited the poverty debate during their presidential administrations in the 1960s. Republican administrations (Richard Nixon, Ronald Reagan, George H. Bush Sr.) of the 1970s and 1980s promoted the idea that private-sector economic growth would reduce poverty. The 1990's brought Welfare Reform legislation led by then Democratic President Bill Clinton. Currently, the U.S. poverty rate has grown for the 4th consecutive year, which is shown in Chart 1.

History of Poverty Thresholds

Mollie Orshansky who worked in the Social Security Administration was the first person to develop poverty thresholds in the early 1960's. She based her poverty

¹¹ Robert H Brenner. *From the Depths: The Discovery of Poverty in the United States (1956)*; Gary B. Nash, *The Urban Crucible: Social Change, Political Consciousness, and the Origins of the American Revolution (1979)*; James T. Patterson, *America's Struggle against Poverty, 1900-1980 (1981)*.

thresholds on an economy food plan developed by the Department of Agriculture. The Department of Agriculture described the economy food plan as being "designed for temporary or emergency use when funds are low."¹²

Orshansky always believed "if it is not possible to state unequivocally 'how much is enough, it should be possible to assert with confidence how much, on an average, is too little.'"¹³ The Department of Agriculture's economy food plan concluded that families of three or more persons spent about one third of their after-tax income on food in 1955. Based on this information, Molly Orshansky assumed their expenditures had to be cut back, and then supposed that expenditures for food and non-food would be cut back at the same rate. Therefore, what money was left would be minimal to purchase nonfood items such as clothing, transportation, and housing.

The Orshansky poverty line threshold remains in place today. However, in as early as 1965, only three years after the poverty line was developed, Social Security Administration policymakers and analysts began to express concern about its accuracy. Since then, several attempts have been made to adjust the poverty thresholds with the goal of predicting American poverty levels more accurately. There never was, and still is not a consensus among Administration heads on a method. The main problem with the current system is that it does not specify how much a family or an individual needs to survive. The present measure ignores non-monetary benefits, such as food stamps that cost the government billions of tax dollars each year to help lower poverty levels.¹⁴ It

¹² Gordon M. Fisher. "The Development and History of the Poverty Thresholds," *Social Security Bulletin*, Vol. 55, No. 4. Winter 1992, pp. 3-14; This is available on the Census Bureau's Poverty Measurement Web site at <http://www.census.gov/hhes/poverty/povmeas/papers/orshansky.html>

¹³ *ibid.*

¹⁴ Frances Fox Piven, and Richard Cloward. 1993. *Regulating the Poor: The Functions of Public Welfare*. New York: Vintage.

also pays no attention to other long-term government supplied assistances such as the Earned income-tax credit.

Major Anti-Poverty Initiatives of the 20th Century

The most significant policy changes occurred in the 20th century during the "New Deal" era. Providing government-funded benefits to the poor was shifted from municipalities and states to the federal government for the first time. Before this, poverty was primarily the responsibility of churches in local communities. The three groups targeted for these policies were the elderly, non-working adults, and children. The unemployed and the elderly were provided with social security insurance. In addition, public assistance for the disabled was provided, and dependent children became an "entitlement." These programs vastly enlarged American bureaucracy, and financial assistance made available to the poor.

Franklin D. Roosevelt (F.D.R), the President during the "New Deal" policies is often described, as the first modern president. He did not think the purpose of the U.S. government was to guarantee its citizens economic fundamentals. In his State of the Union message of January 1944, he acknowledged that: "true individual freedom could not exist without economic security and independence."¹⁵ For example, a child who refuses to leave the security blanket of his parents will have difficulty in accepting basic life responsibilities. Families and/or individuals on government-funded social programs long-term can eventually acquire the same type of mentality.

The "New Deal" created a series of new state institutions that greatly, and permanently, expanded the role of the federal government in American life. The federal

¹⁵ The White House Publications: The White House: <http://www.whitehouse.gov/history/presidents/fr32.html>, 4 October 2004 [newspaper on-line]; available from <http://censusbureau.com> = Internet; accessed 18 September 2004.

government was now committed to providing at least minimal assistance to the poor and the unemployed; to protecting the rights of labor unions; to stabilizing the banking system; to building low-income housing; to regulating the financial markets; to subsidizing agricultural production; and to doing many other things that had not previously been federal responsibilities.¹⁶ As a result of the New Deal, American political and economic life became much more competitive than before, with workers, farmers, consumers, and others now able to press their demands upon the government in ways that in the past had been available only to the corporate world.

There is a misconception that long-term government funded social programs, such as welfare, food stamps, and Medicare developed as a direct result of the Great Depression, but this is not accurate. As stated previously, poverty in the U.S. was not measured until the 1960s, therefore it would have been impossible to implement programs such as these. Secondly, even though FDR believed in providing "safety nets" for America's underprivileged, he did not believe the federal government's role was to provide financial assistance for its citizens indefinitely.

L.B.J, through a "War on Poverty" expanded government funded assistance. Through him, the U.S. has many of the anti-poverty initiatives we have today, such as welfare, food stamps, and Medicare. His reasoning behind this expansion was due to an estimated 35 million Americans in poverty. The main purpose behind these social welfare programs was to reduce and ultimately eliminate poverty. Other sectors of the populations outside of the elderly, children, and non-working adults for the first time were able to receive financial assistance from the government.

¹⁶ Gordon, Colin. *New Deals: Business, Labor, and Politics, 1920-1935* (New York: Cambridge University Press, 1994)

Statement of the Problem

Poverty is a growing problem in the U.S. Many, including policymakers, public administrators, the media, etc have celebrated the “success” of the latest version of anti-poverty policy reforms. The most famous, the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) was signed into law in 1996. Success for anti-poverty policies is often defined in terms of declining caseloads. For example, former President Clinton, at a welfare reform conference in 1999 in Chicago, shared “that there are now 7.3 million people on welfare nationally, which is down from 14.1 million from 1993, and from 12.2 million from 1996”.¹⁷ More recently, Michael Massing reported in the American Prospect that since 1996 the nation’s welfare rolls have declined by 43%.¹⁸ These numbers have also been confirmed by a study by the Urban Institute explaining that welfare rolls have fallen more dramatically than anyone could have expected. However, the Urban Institute “warns that many of those leaving welfare for the work force struggle to afford basic life essentials”.¹⁹

Changes in public policy, that drastically reform government funded social programs create and demand, criticize, analyze, and examine consequences of these programs. The impact, both positive and negative, of social policy change on beneficiaries of social programs must be assessed in order to learn about the successes and failures of reforms, and to make mid-course corrections if necessary. The difficult part of the process of examining impact is determining what to measure. How do we

¹⁷ H. Rosin & J.F. Harris. (Aug. 3, 1999), “Welfare reform is on a roll; Working poor still struggle, study says,” Washington Post, p. A01.

¹⁸ M. Massing, (June 19-July 3, 2000). “Ending Poverty As We Know It.” The American Prospect, p. 30-38.

¹⁹ H. Rosin & J.F. Harris. (Aug. 3, 1999), “Welfare reform is on a roll’ Working poor still struggle, study says,” Washington Post, p. A01.

determine what outcomes are important when evaluating public policy, especially policies that affect susceptible, low-income families?

From a public interest perspective, public administrators and policymakers are charged with understanding the magnitude and direction of the impact of welfare reform on beneficiaries of our public assistance institutions. But how do public administrators and policymakers go about assessing the impact of policy in ways that really describe what is happening to people as new policies are implemented? And are these policies fulfilling their role of actually reducing poverty in the U.S.? This is the public policy issue driving this research. Solely counting the number of people leaving government funded programs, the number of former recipients who get jobs, and/or using other “economic indicators” does not always provide a true sense of the impact of policy changes. Assessing the human impact of policy changes requires more than the evaluation of economic outcomes. Assessing the true issues of well-being requires that we know about the resources of beneficiaries and their conditions of life from various perspectives. We have to strive for greater understanding about those socio-cultural aspects of people’s lives that create the whole person, aspects such as health, knowledge and skills, social relations, conditions of work, and so forth.²⁰ This would describe one’s **quality of life**. Quality of life is the lens through which to look when conducting social policy evaluations.²¹ Evaluation activities that address quality of life would lead to greater understanding on how to strategically manage public institutions within very complex contexts.

²⁰ R. Erikson, (1993), “Descriptions of Inequality: The Swedish Approach to Welfare Research.” in Martha C. Nussbaum. and Amartya Sen (eds.), *The Quality of Life*. New York, NY: Oxford University Press Inc.

²¹ Danielle, Hollar. (2000): *The Creation and Illustration of Quality of Life: A Conceptual Model for Examining Welfare Reform Impacts*.

Certainly, many of the anti-poverty social programs created by L.B.J. and his successor Richard Nixon have achieved some good. But still, what happened? Were the government's efforts simply inadequate to meet a rising tide of poverty? Or on the other hand, are long-term government social programs responsible for some of the economic and social problems the U.S. is currently facing? While the success of social program reform is being defined in many ways, we are still left with the question that Paul Wellstone (D-MN) continued to raise in Congress "Has reducing welfare rolls led to a reduction of poverty?" No one is quite sure about the answer to this question.

Research Question and Sub-questions

The main research question for this study is: What is the impact of long-term anti-poverty policies in the United States? To answer this question, the following sub-questions will be addressed:

1. What are major historical perspectives and arguments on government funded anti-poverty policies?
2. What are the major root causes of poverty in the United States?
3. What is the relationship between the economy and the government, and does it result in income disparity?
4. What are major anti-poverty strategies implemented to decrease U.S. poverty?

Significance of the Study

This study is important due to the following implications on American society:

1. **Economic Implications**, which include:
 - Taxpayers financially supporting government funded programs through their work earnings, which affect working families;
 - Long-term government funded programs contribute to local, state, and federal deficits;

- There is much speculation on how much money the federal government loses each year due to fraudulent claims. Fraudulent claims also cheat the Americans who are paying into these programs, who are not eligible for their services;
- Income inequality distributions are growing more and more each year. Soon, experts believe the American middle class will disappear and there will only be a rich and poor class.

2. **Political Implications**, which include:

- Poverty is first a political issue. Politicians often use this issue for re-election purposes. Many politicians are afraid that they will be voted out if they do not support these programs, depending on their constituency.
- Party Politics – The issue of party politics is complicated. The two major parties (Republicans & Democrats) are so busy debating, claiming their side “cares” more about the poor and their plight that neither side has a real solution to the poverty problem in the United States.

3. **Social Implications**, which include:

- High poverty neighborhoods which spill over to schools, and result in the following: negative influence/lack of role models, lack of social networks, and social alienation
- The main social implication is that government funded social programs are leaving Americans behind economically, politically, and educationally, and socially.

The findings of this study will address why so many Americans are still living in poverty that are participants on government funded programs on a long time basis.

Therefore, this study will benefit low-income populations, the government, and the entire American society. Future chapters outline a history of arguments and perspectives, root causes, and the main strategies of poverty, and eventually propose recommendations in the conclusion. Most importantly, policy makers need to know the rate of effectiveness these programs are having on the lives of Americans. Their duty is to ensure poverty is

limited and not expanded, so that generations of Americans are not trapped in a continuous cycle of becoming more needy, dependent, and poor.²² If this is indeed what is happening, implementing more governmental funded social programs will not help the individual, their family, the American public, and certainly not the U.S. economy.

Research Design and Methodology

This research is mostly of a qualitative nature and was carried out by collecting and analyzing information through the means of secondary sources. The mission of this research project is to analyze the effectiveness of government funded social programs and determine their role in reducing poverty in the U.S.; particularly when participants are on a program long-term. This insight will be gained by answering four sub-questions related to the main research question to really focus on understanding the phenomena of poverty.

The findings presented in this study are based on data collected from various secondary sources published by the Internet, magazines, newspapers, journals, books, and issue papers written by conservative, liberal, and independent Think Tank organizations. Reading different positions from political Think Tanks are essential to understanding poverty in the U.S. because of its political nature. Because of the political implications, poverty is very controversial and sensitive, and therefore not a popular topic for policy makers to discuss openly to the American public and even among each other. All past, present, and future projectile of statistics gathered are from the United States Census Bureau and other U.S. federal government administrations.

²² Rogette N. Harris. (2005): Long-Term Government Funded Programs: A Study of Their Impact on Poverty in the United States

Reading existing literature, work experiences, historical perspectives, and analyzing poverty statistics will allow the researcher to form a personal perspective, conclusion, and recommend solutions.

Organization of the Study

This study is comprised of the following seven chapters:

1. Chapter 1: Introduction
2. Chapter 2: Review of the Literature
3. Chapter 3: Anti-Poverty Historical Perspectives and Arguments
4. Chapter 4: Major Root Causes of Poverty in the United States
5. Chapter 5: The Relationship Between Government and the Economy
6. Chapter 6: Major Anti-Poverty Strategies in the United States
7. Chapter 7: Summary and Conclusions

CHAPTER 1: INTRODUCTION. Chapter 1 introduces the research subject. The problem is presented, along with reasoning outlining why this problem should be studied. This chapter includes the context and statement of the problem, the main research question, and its four related sub-questions, the significance of the study; and finally the research methodology, which explains which method, was used to answer the main research question.

CHAPTER 2: REVIEW OF THE LITERATURE. Chapter 2 is an extensive review of over fifty (50) sources related to the subject matter of this research project.

CHAPTER 3: ANTI-POVERTY HISTORICAL PERSPECTIVES AND ARGUMENTS. Poverty and its anti-poverty policies have been debated for the last 40 years. This chapter will outline the major perspectives and arguments used throughout

the past 40 years by researchers, policy analysts, policy makers, and political groups regarding policies surrounding U.S. poverty.

CHAPTER 4: MAJOR ROOT CAUSES OF POVERTY IN THE UNITED

STATES. Chapter 4 outlines the issues surrounding the major root causes of poverty.

CHAPTER 5: THE RELATONSHIP BETWEEN GOVERNMENT AND THE

ECONOMY. Chapter 5 will outline and define the economy and government and their relationship with each other. After this relationship is defined, an analysis will take place to see whether this relationship is contributing to the income disparity gap that is widening in the United States.

CHAPTER 6: MAJOR ANTI-POVERTY STRATEGIES IN THE UNITED

STATES. Chapter 6 outlines the major government funded anti-poverty strategies implemented by policy makers to combat the root causes of poverty to reduce and eventually eliminate it.

CHAPTER 7: SUMMARY AND CONCLUSIONS. Chapter 7 uses all data and other

afadata collected for this research project to wrap up what has been discovered about the use of long-term government funded social program use in Chapters 3, 4, 5, and 6. In closing, this chapter will also provide the researcher's own recommendations based on the research study findings.

CHAPTER 2

Literature Review

Human beings of all societies in all periods of history believe that their ideas on the nature of the real world are the most accurate. Like us, they pity the people in earlier ages for not knowing the true facts. Unfailingly, human beings pity their ancestors for being so ignorant and forget that their descendants will pity them for the same reason.
- Edward Harrison, "The Uncertainty of Knowledge", "New Scientist", September 24,

Introduction

With the poverty rate growing in the United States, it is not surprising that the relationship between poverty and government funded social programs has attracted considerable attention in recent years. This review summarizes existing literature about U.S. poverty, in particular, the impact long-term government funded social programs has had on it. Have they reduced poverty? The review is organized around a number of pressing issues that policymakers would like answered, and for each of these issues, a summary of current knowledge and information is identified.

Poverty in the United States

The universal definition of poverty relates to an individual's ability to meet basic needs: food, clothing, shelter, medical care, and education. If a household's income, for whatever reasons, is inadequate to meet these basic needs, then that household can legitimately be considered poor (Hayes, 2002). However, defining poverty is not so cut and dry. There are many outside factors that can result in a poor individual or family. Sheldon Danziger and Gary Sandefur, two well-respected poverty researchers, have drawn the following profile of poverty over the past fifty years: Non-Hispanic whites have lower poverty rates than African-Americans, Hispanics and other racial minority groups; adults in the prime years have lower poverty rates than children and the elderly;