January 14, 2014

Kevin Williamson introduces us to an America we can barely imagine.

Owsley County, Ky. – There are lots of diversions in the Big White Ghetto, the vast moribund matrix of Wonder Bread–hued Appalachian towns and villages stretching from northern Mississippi to southern New York, a slowly dissipating nebula of poverty and misery with its heart in eastern Kentucky, the last redoubt of the Scots-Irish working class that picked up where African slave labor left off, mining and cropping and sawing the raw materials for a modern American economy that would soon run out of profitable uses for the class of people who 500 years ago would have been known, without any derogation, as peasants. Thinking about the future here and its bleak prospects is not much fun at all, so instead of too much black-minded introspection you have the pills and the dope, the morning beers, the endless scratch-off lotto cards, healing meetings up on the hill, the federally funded ritual of trading cases of food-stamp Pepsi for packs of Kentucky's Best cigarettes and good old hard currency, tall piles of gas-station nachos, the occasional blast of meth, Narcotics Anonymous meetings, petty crime, the draw, the recreational making and surgical unmaking of teenaged mothers, and death: Life expectancies are short — the typical man here dies well over a decade earlier than does a man in Fairfax County, Va. — and they are getting shorter, women's life expectancy having declined by nearly 1.1 percent from 1987 to 2007

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If the people here weren't 98.5 percent white, we'd call it a reservation. ...

... There is here a strain of fervid and sometimes apocalyptic Christianity, and visions of the Rapture must have a certain appeal for people who already have been left behind. Like its black urban counterparts, the Big White Ghetto suffers from a whole trainload of social problems, but the most significant among them may be adverse selection: Those who have the required work skills, the academic ability, or the simple desperate native enterprising grit to do so get the hell out as fast as they can, and they have been doing that for decades. ...

... There is not much novelty in Booneville, Ky., the seat of Owsley County, but it does receive a steady trickle of visitors: Its public figures suffer politely through a perverse brand of tourism from journalists and do-gooders every time the U.S. Census data are recalculated and it defends its dubious title as poorest county in these United States. ...

... it turns out that the local economy runs on black-market soda the way Baghdad ran on contraband crude during the days of sanctions.

It works like this: Once a month, the debit-card accounts of those receiving what we still call food stamps are credited with a few hundred dollars — about $500 for a family of four, on average — which are immediately converted into a unit of exchange, in this case cases of soda. On the day when accounts are credited, local establishments accepting EBT cards — and all across the Big White Ghetto, "We Accept Food Stamps" is the new E pluribus unum – are swamped with locals using their public benefits to buy cases and cases — reports put the number at 30 to 40 cases for some buyers — of soda. Those cases of soda then either go on to

another retailer, who buys them at 50 cents on the dollar, in effect laundering those $500 in monthly benefits into $250 in cash — a considerably worse rate than your typical organized-crime money launderer offers — or else they go into the local black-market economy, where they can be used as currency in such ventures as the dealing of unauthorized prescription painkillers — by "pillbillies," as they are known at the sympathetic establishments in Florida that do so much business with Kentucky and West Virginia that the relevant interstate bus service is nicknamed the "OxyContin Express." A woman who is intimately familiar with the local drug economy suggests that the exchange rate between sexual favors and cases of pop — some dealers will accept either — is about 1:1, meaning that the value of a woman in the local prescription-drug economy is about $12.99 at Walmart prices. ...

... For the smart and enterprising people left behind, life can be very comfortable, with family close, a low cost of living, beautiful scenery, and a very short climb to the top of the social pecking order. The relative ease of life for the well-off and connected here makes it easy to overlook the real unpleasant facts of economic life, which helps explain why Booneville has a lovely new golf course, of all things, but so little in the way of everyday necessities. The county seat, run down as parts of it are, is an outpost of civilization compared with what surrounds it for 50 miles in every direction. Stopping for gas on KY-30 a few miles past the Owsley County line, I go looking for the restroom and discover instead that the family operating the place is living in makeshift quarters in the back. Margaret Thatcher lived above her family's shop as a little girl, too, but a grocer's in Grantham is a very different thing from a gas station in Kentucky, with very different prospects. ...

... This is not the land of moonshine and hill lore, but that of families of four clutching $40 worth of lotto scratchers and crushing the springs on their beaten-down Camry while getting dinner from a Phillips 66 station.

This is about "the draw."

"The draw," the monthly welfare checks that supplement dependents' earnings in the black-market Pepsi economy, is poison. It's a potent enough poison to catch the attention even of such people as those who write for the New York Times. Nicholas Kristof, visiting nearby Jackson, Ky., last year, was shocked by parents who were taking their children out of literacy classes because the possibility of improved academic performance would threaten $700-a-month Social Security disability benefits, which increasingly are paid out for nebulous afflictions such as loosely defined learning disorders. "This is painful for a liberal to admit," Kristof wrote, "but conservatives have a point when they suggest that America's safety net can sometimes entangle people in a soul-crushing dependency."

There is much here to confound conservatives, too. Jim DeMint likes to say that marriage is our best anti-poverty program, and he also has a point. But a 2004 study found that the majority of impoverished households in Appalachia were headed by married couples, not single mothers. Getting and staying married is not a surefire prophylactic against poverty. Neither are prophylactics. ...

... In effect, welfare has made Appalachia into a big and sparsely populated housing project — too backward to thrive, but just comfortable enough to keep the underclass in place. There is no cure for poverty, because there is no cause of poverty — poverty is the natural condition of the human animal. It is not as though labor and enterprise are unknown here: Digging coal is hard work, farming is hard work, timbering is hard work — so hard that the best and brightest long ago packed up for Cincinnati or Pittsburgh or Memphis or Houston. There is to this day an Appalachian bar in Detroit and ex-Appalachian enclaves around the country. The lesson of the Big White Ghetto is the same as the lessons we learned about the urban housing projects in the late 20th century: The best public-policy treatment we have for poverty is dilution. But like the old project towers, the Appalachian draw culture produces concentration, a socioeconomic Salton Sea that becomes more toxic every year.

"The government gives people checks, but nobody teaches them how to live," says Teresa Barrett, a former high-school principal who now publishes the Owsley County newspaper. "You have people on the draw getting $3,000 a month, and they still can't live. When I was at the school, we'd see kids come in from a long weekend just starved to death. But you'll see those parents at the grocery store with their 15 cases of Pepsi, and that's all they've got in the buggy — you know what they're doing. Everybody knows, nobody does anything. And when you have that many people on the draw, that's a big majority of voters." ...

... There is another Booneville, this one in northern Mississippi, just within the cultural orbit of Memphis and a stone's throw from the two-room shack in which was born Elvis Presley, the Appalachian Adonis. There's a lot of Big White Ghetto between them, trailers and rickety homes heated with wood stoves, the post-industrial ruins of old mills and small factories with their hard 1970s lines that always make me think of the name of the German musical group Einstürzende Neubauten — "collapsing modern buildings." (Some things just sound more appropriate in German.) You swerve to miss deer on the country roads, see the rusted hulk of a 1937 Dodge sedan nestled against a house and wonder if somebody was once planning to restore it – or if somebody just left it there on his way to Detroit. You see the clichés: cars up on cinderblocks, to be sure, but houses up on cinderblocks, too. And you get a sense of the enduring isolation of some of these little communities: About 20 miles from Williamsburg, Ky., I become suspicious that I have not selected the easiest route to get where I'm going, and stop and ask a woman what the easiest way to get to Williamsburg is. "You're a hell of a long way from Virginia," she answers. I tell her I'm looking for Williamsburg, Kentucky, and she says she's never heard of it. It's about the third town over, the nearest settlement of any interest, and it's where you get on the interstate to go up to Lexington or down to Knoxville. "I went to Hazard once," she offers. The local economic-development authorities say that the answer to Appalachia's problems is sending more people to college. Sending them to Nashville might be a start. ...

George Will writes on the importance of families.

... If America is to be equitable, with careers open to all talents and competent citizens capable of making their way in an increasingly demanding world, Americans must heed the warnings implicit in observations from two heroes of modern conservatism. In "The Constitution of Liberty" (1960), Friedrich Hayek noted that families are the primary transmitters of human capital — habits, mores, education. Hence families, much more than other social institutions or programs,

are determinative of academic and vocational success. In "The Unheavenly City" (1970), Edward C. Banfield wrote: "All education favors the middle- and upper-class child, because to be middle or upper class is to have qualities that make one particularly educable."

Elaborating on this theme, Jerry Z. Muller, a Catholic University historian, argued in the March-April 2013 issue of Foreign Affairs that expanding equality of opportunity increases inequality because some people are simply better able than others to exploit opportunities. And "assortative mating" — likes marrying likes — concentrates class advantages, further expanding inequality. As Muller said, "formal schooling itself plays a relatively minor role in creating or perpetuating achievement gaps" that originate "in the different levels of human capital children possess when they enter school."

The Cato Institute's Brink Lindsey argued in "Human Capitalism: How Economic Growth Has Made Us Smarter — and More Unequal" that this growth intensifies society's complexity, which "has opened a great divide between those who have mastered its requirements and those who haven't." Modernity — education-based complexity — intensifies the demands on mental abilities. People invest increasingly in human capital — especially education — because status and achievement increasingly depend on possession of the right knowledge.

Lindsey cited research showing that "by the time they reach age 3, children of professional parents have heard some 45 million words addressed to them — as opposed to only 26 million words for working-class kids, and a mere 13 million words in the case of kids on welfare." So, class distinctions in vocabularies are already large among toddlers. ...

Don Boudreaux has a great thought on inequality.

Suppose that Jones chooses a career as a poet. Jones treasures the time he spends walking in the woods and strolling city streets in leisurely reflection; his reflections lead him to write poetry critical of capitalist materialism. Working as a poet, Jones earns $20,000 annually.

Smith chooses a career as an emergency-room physician. She works an average of 60 hours weekly and seldom takes a vacation. Her annual salary is $400,000. Is this "distribution" of income unfair? Is Smith responsible for Jones' relatively low salary? Does Smith owe Jones money? If so, how much? And what is the formula you use to determine Smith's debt to Jones?

While Dr. Smith earns more money than does poet Jones, poet Jones earns more leisure than does Dr. Smith. Do you believe leisure has value to those who possess it? If so, are you disturbed by the inequality of leisure that separates leisure-rich Jones from leisure-poor Smith? Do you advocate policies to "redistribute" leisure from Jones to Smith—say, by forcing Jones to wash Smith's dinner dishes or to chauffeur Smith to and from work? If not, why not?

National Review

The White Ghetto

In Appalachia the country is beautiful and the society is broken.

by Kevin Williamson

Owsley County, Ky. – There are lots of diversions in the Big White Ghetto, the vast moribund matrix of Wonder Bread–hued Appalachian towns and villages stretching from northern Mississippi to southern New York, a slowly dissipating nebula of poverty and misery with its heart in eastern Kentucky, the last redoubt of the Scots-Irish working class that picked up where African slave labor left off, mining and cropping and sawing the raw materials for a modern American economy that would soon run out of profitable uses for the class of people who 500 years ago would have been known, without any derogation, as peasants. Thinking about the future here and its bleak prospects is not much fun at all, so instead of too much black-minded introspection you have the pills and the dope, the morning beers, the endless scratch-off lotto cards, healing meetings up on the hill, the federally funded ritual of trading cases of food-stamp Pepsi for packs of Kentucky's Best cigarettes and good old hard currency, tall piles of gas-station nachos, the occasional blast of meth, Narcotics Anonymous meetings, petty crime, the draw, the recreational making and surgical unmaking of teenaged mothers, and death: Life expectancies are short — the typical man here dies well over a decade earlier than does a man in Fairfax County, Va. — and they are getting shorter, women's life expectancy having declined by nearly 1.1 percent from 1987 to 2007

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Driving through these hills and hollows, you aren't in the Appalachia of Elmore Leonard's Justified or squatting with Lyndon Johnson on Tom Fletcher's front porch in Martin County, a scene famously photographed by Walter Bennett of Time, the image that launched the so-called War on Poverty. The music isn't "Shady Grove," it's Kanye West. There is still coal mining — which, at $25 an hour or more, provides one of the more desirable occupations outside of government work — but the jobs are moving west, and Harlan County, like many coal-country communities, has lost nearly half of its population over the past 30 years.

There is here a strain of fervid and sometimes apocalyptic Christianity, and visions of the Rapture must have a certain appeal for people who already have been left behind. Like its black urban counterparts, the Big White Ghetto suffers from a whole trainload of social problems, but the most significant among them may be adverse selection: Those who have the required work skills, the academic ability, or the simple desperate native enterprising grit to do so get the hell out as fast as they can, and they have been doing that for decades. As they go, businesses disappear, institutions fall into decline, social networks erode, and there is little or nothing left over for those who remain. It's a classic economic death spiral: The quality of the available jobs is not enough to keep good workers, and the quality of the available workers is not enough to attract good jobs. These little towns located at remote wide spots in helical mountain roads are hard enough to get to if you have a good reason to be here. If you don't have a good reason, you aren't going to think of one.

Appalachian places have evocative and unsentimental names denoting deep roots: Little Barren River, Coal Pit Road. The name "Cumberland" blankets Appalachian geography — the Cumberland Mountains, the Cumberland River, several Cumberland counties — in tribute to the Duke of Cumberland, who along with the Ulster Scots ancestors of the Appalachian settlers

crushed the Young Pretender at the Battle of Culloden. Even church names suggest ancient grievances: Separate Baptist, with the descriptor in all-capital letters. (“Come out from among them and be ye separate” — 2 Corinthians 6:17.) I pass a church called “Welfare Baptist,” which, unfortunately, describes much of the population for miles and miles around.

There is not much novelty in Booneville, Ky., the seat of Owsley County, but it does receive a steady trickle of visitors: Its public figures suffer politely through a perverse brand of tourism from journalists and do-gooders every time the U.S. Census data are recalculated and it defends its dubious title as poorest county in these United States. The first person I encounter is Jimmy — I think he’s called Jimmy; there is so much alcohol and Kentucky in his voice that I have a hard time understanding him — who is hanging out by the steps of the local municipal building waiting for something to happen, and what happens today is me. Unprompted, he breaks away from the little knot of men he is standing with and comes at me smiling hard. He appears to be one of those committed dipsomaniacs of the sort David Foster Wallace had in mind when he observed that at a certain point in a drunk’s career it does not matter all that much whether he’s actually been drinking, that’s just the way he is. Jimmy is attached to one of the clusters of unbusy men who lounge in front of the public buildings in Booneville – “old-timers with nothing to do,” one observer calls them, though some of those “old-timers” do not appear to have reached 30 yet, and their Mossy Oak camouflage outfits say “Remington” while their complexions say “Nintendo.” Mossy Oak and Realtree camo are aesthetic touchstones in these parts: I spot a new $50,000 Ram pickup truck with an exterior as shiny as a silver ingot and a camouflage interior, the usefulness of which is non-obvious.

I expect Jimmy to ask for money, but instead he launches into a long disquisition about something called the “Thread the Needle” program, and relates with great animation how he convinced a lady acquaintance of his to go down to the county building and offer to sign up for Thread the Needle, telling her that she would receive $25 or $50 for doing so.

“‘Thread the Needle!’ I told her,” he says. “Right? Right?” He pantomimes threading a needle. He laughs. I don’t quite get it. So he tells the story again in what I assume are more or less the exact same slurred words. “Right?”
“Right . . .”

“But they ain’t no Thread the Needle program! I play pranks!”

I get it: Advising friends to go down to the county building to sign up for imaginary welfare programs is Jimmy’s personal entertainment. He’s too old for World of Warcraft and too drunk for the Shoutin’ Happy Mission Ministry.

It’s not like he has a lot of appealing options, though. There used to be two movie theaters here — a regular cinema and a drive-in. Both are long gone. The nearest Walmart is nearly an hour away. There’s no bookstore, the nearest Barnes & Noble being 55 miles away and the main source of reading matter being the horrifying/hilarious crime blotter in the local weekly newspaper. Within living memory, this town had three grocery stores, a Western Auto and a Napa Auto Parts, a feed store, a lumber store, a clothing shop, a Chrysler dealership, a used-car dealership, a skating rink — even a discotheque, back in the 1970s. Today there is one grocery store, and the rest is as dead as disco. If you want a newsstand or a dinner at Applebee’s, gas up the car. Amazon may help, but delivery can be tricky — the nearest UPS drop-box is 17 miles away, the nearest FedEx office 34 miles away.

If you go looking for the catastrophe that laid this area low, you'll eventually discover a terrifying story: Nothing happened. It's not like this was a company town in which the business around which life was organized went toes-up. Booneville and Owsley County were never economic powerhouses. They were sustained for a time in part by a nearby Midsouth plant, which manufactured consumer electronics such as steam irons and toaster ovens, as well as industrial supplies such as refrigerator parts. A former employee estimates that a majority of Owsley County households owed part of their income to Midsouth at one time or another, until a mishap in the sanding room put an end to that: "Those shavings are just like coal dust," he says. "It will go right up if it gets a spark." Operations were consolidated in a different facility, a familiar refrain here — a local branch of the health department consolidated operations in a different town, along with the energy company and others. But Owsley County was poor before, during, and after that period. Coal mining was for years a bulwark against utter economic ruination, but regulation, a lengthy permitting process, and other factors both economic and geological pushed what remains of the region's coal business away toward other communities. After they spend a winter or two driving an hour or two each way over icy twists of unforgiving mountain asphalt, many locals working in the coal business decide it is easier to move to where the work is, leaving Owsley County, where unemployment already is 150 percent of the national average, a little more desperate and collectively jobless than before. It's possible that a coal worker's moving from Booneville to Pikeville would lower the median income of both towns.

Some hope that a long-awaited highway-improvement program will revitalize the town by making the drive a little less terrifying — the local police chief admits with some chagrin that he recently found himself heading down the road in panicked spins after encountering a patch of early-November black ice, which clings to the high and shady places. But the fact is, KY-30 is a two-way road, and there are still more reasons to leave Owsley County than to go there.
A few locals drive two hours — on a good day, more on others — to report for work in the Toyota factory at Georgetown, Ky., which means driving all the way through the Daniel Boone National Forest and through the city of Lexington to reach the suburbs on the far side. As with the coal miners traveling past Hazard or even farther, eventually many of those Toyota workers decide that the suburbs of Lexington are about as far as they want to go. The employed and upwardly mobile leave, taking their children, their capital, and their habits with them, clean clear of the Big White Ghetto, while the unemployed, the dependent, and the addicted are once again left behind.
"We worked before," the former Midsouth man says. "We'd work again."

"Well, you try paying that much for a case of pop," says the irritated proprietor of a nearby café, who is curt with whoever is on the other end of the telephone but greets customers with the perfect manners that small-town restaurateurs reliably develop. I don't think much of that overheard remark at the time, but it turns out that the local economy runs on black-market soda the way Baghdad ran on contraband crude during the days of sanctions.

It works like this: Once a month, the debit-card accounts of those receiving what we still call food stamps are credited with a few hundred dollars — about $500 for a family of four, on average — which are immediately converted into a unit of exchange, in this case cases of soda. On the day when accounts are credited, local establishments accepting EBT cards — and all across the Big White Ghetto, "We Accept Food Stamps" is the new E pluribus unum – are swamped with locals using their public benefits to buy cases and cases — reports put the number at 30 to 40 cases for some buyers — of soda. Those cases of soda then either go on to another retailer, who buys them at 50 cents on the dollar, in effect laundering those $500 in

monthly benefits into $250 in cash — a considerably worse rate than your typical organized-crime money launderer offers — or else they go into the local black-market economy, where they can be used as currency in such ventures as the dealing of unauthorized prescription painkillers — by “pillbillies,” as they are known at the sympathetic establishments in Florida that do so much business with Kentucky and West Virginia that the relevant interstate bus service is nicknamed the “OxyContin Express.” A woman who is intimately familiar with the local drug economy suggests that the exchange rate between sexual favors and cases of pop — some dealers will accept either — is about 1:1, meaning that the value of a woman in the local prescription-drug economy is about $12.99 at Walmart prices.

Last year, 18 big-city mayors, Mike Bloomberg and Rahm Emanuel among them, sent the federal government a letter asking that soda be removed from the list of items eligible to be used for EBT purchases. Mayor Bloomberg delivered his standard sermon about obesity, nutrition, and the multiplex horrors of sugary drinks. But none of those mayors gets what’s really going on with sugar water and food stamps. Take soda off the list and there will be another fungible commodity to take its place. It’s possible that a great many cans of soda used as currency go a long time without ever being cracked — in a town this small, those selling soda to EBT users and those buying it back at half price are bound to be some of the same people, the soda merely changing hands ceremonially to mark the real exchange of value, pillbilly wampum.

‘Oh, we’s jes’ pooooor folllllks, we cain’t afford no cornbreaaaaaaad!” So says Booneville police chief Johnny Logsdon, who has an amused glint in his eye and has encountered his share of parachuted-in writers on the poverty beat. A former New York City resident who made his career in the U.S. Navy before following his wife back to her Kentucky home, Chief Logsdon is an outdoorsman and a gifted nature photographer (his work adorns the exterior of the municipal building) who speaks fondly of Staten Island but is clearly in his element in the Kentucky countryside, much of which is arrestingly beautiful.

Chief Logsdon has time to indulge his hobbies because the Big White Ghetto is different from most other ghettos in one very important way: There’s not much violent crime here. There’s a bit of the usual enterprise one finds everywhere there are drugs and poor people, which is to say, everywhere: Police have just broken up a ring of car burglars who had the inspired idea of pulling off their capers during church services, when all the good people were otherwise occupied. (The good people? One victim reported $1,000 in cash missing from the trunk of his car, and I’m putting an asterisk next to his name until I know where that came from.) But even the crime here is pretty well predictable. The chief’s assistant notes that if they know the nature and location of a particular crime, they can more or less drive straight to where the perpetrator, who is likely to be known to them intimately, is to be found. In Owsley County, finally there is a place in which “the usual suspects” is something more than a figure of speech.

There’s a great deal of drug use, welfare fraud, and the like, but the overall crime rate throughout Appalachia is about two-thirds the national average, and the rate of violent crime is half the national average, according to the National Criminal Justice Reference Service. Chief Logsdon is justifiably skeptical of the area’s reputation for drug-fueled crime. But he is not blinkered, and his photos of spectacular autumn foliage and delicate baby birds do not denote a sentimental disposition. “We have loggers and coal producers,” he says, dropping the cornpone accent. “We have educators and local businesses, and people in the arts. And we have the same problems they have in every community.” He points out that the town recently opened up a $1 million public library — a substantial investment for a town in which the value of all residential property combined would not add up to the big lottery jackpot being advertised all

over. (Lottery tickets, particularly the scratch-off variety, are ubiquitous here.) He does not deny the severity or scope of the region's problems, but he does think that they are exaggerated by visitors who are here, after all, only because Owsley holds the national title for poorest county. Owsley's dependent underclass has many of the same problems as any other dependent underclass; but with a poverty rate persistently at the 40 percent mark — or half again as much poverty as in the Bronx — the underclass plays an outsized role in local life. It is not the exception.

Two towns over, I ask a young woman about the local gossip, and she tells me it's always the same: "Who's growing weed, who's not growing weed anymore, who's cooking meth, whose meth lab got broken into, whose meth lab blew up." Chief Logsdon thinks I may be talking to the wrong people. "Maybe that's all they see, because that's all they know. Ask somebody else and they'll tell you a different story." He then gives me a half-joking — but only half — list of people not to talk to: Not the shiftless fellows milling about in the hallways on various government-related errands, not the guy circling the block on a moped. Instead, there's the lifelong banker whose brother is the head of the school board. There's the mayor, a sharp nonagenarian who has been in office since the Eisenhower administration.

And that, too, is part of the problem with adverse selection in the Big White Ghetto: For the smart and enterprising people left behind, life can be very comfortable, with family close, a low cost of living, beautiful scenery, and a very short climb to the top of the social pecking order. The relative ease of life for the well-off and connected here makes it easy to overlook the real unpleasant facts of economic life, which helps explain why Booneville has a lovely new golf course, of all things, but so little in the way of everyday necessities. The county seat, run down as parts of it are, is an outpost of civilization compared with what surrounds it for 50 miles in every direction. Stopping for gas on KY-30 a few miles past the Owsley County line, I go looking for the restroom and discover instead that the family operating the place is living in makeshift quarters in the back. Margaret Thatcher lived above her family's shop as a little girl, too, but a grocer's in Grantham is a very different thing from a gas station in Kentucky, with very different prospects
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Owsley County had been dry since Prohibition. A close election (632–518) earlier this year changed that, and the local authorities are sorting out the regulatory and licensing issues related to the sale of alcohol. Chief Logsdon thinks that this is, on balance, a good thing, because local prohibition meant that local drunks were on the local roads coming back from bars or liquor stores. "They aren't waiting until they get home," he says. "They're opening the bottle. They're like kids at Christmas." Obviously, prohibition wasn't getting the job done. At the same time, the scene in Owsley County might make even the most ardent libertarian think twice about drug legalization: After all, these addicts are hooked on legal drugs – OxyContin and other prescription opioid analgesics — even if they often are obtained illegally. In nearby Whitley County, nearly half of the examined inmates in one recent screening tested positive for buprenorphine, a.k.a. "prison heroin," a product originally developed as a treatment for opiate addiction. (Such cures are often worse than the disease: Bayer once owned the trademark on heroin, which it marketed as a cure for morphine addiction — it works.) Fewer drunk drivers would be a good thing, but I have to imagine that the local bar, if Booneville ever gets one, is going to be a grim place.

This isn't the Kentucky of Elmore Leonard's imagination, and there is nothing romantic about it. These are no sons and daughters of Andrew Jackson, no fiercely independent remnants of the old America clinging to their homes and their traditional ways. Having once been downwind of a

plate of biscuits and squirrel gravy does not make you Daniel Boone. This is not the land of moonshine and hill lore, but that of families of four clutching $40 worth of lotto scratchers and crushing the springs on their beaten-down Camry while getting dinner from a Phillips 66 station.

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“The draw,” the monthly welfare checks that supplement dependents’ earnings in the black-market Pepsi economy, is poison. It’s a potent enough poison to catch the attention even of such people as those who write for the New York Times. Nicholas Kristof, visiting nearby Jackson, Ky., last year, was shocked by parents who were taking their children out of literacy classes because the possibility of improved academic performance would threaten $700-a-month Social Security disability benefits, which increasingly are paid out for nebulous afflictions such as loosely defined learning disorders. “This is painful for a liberal to admit,” Kristof wrote, “but conservatives have a point when they suggest that America’s safety net can sometimes entangle people in a soul-crushing dependency.”

There is much here to confound conservatives, too. Jim DeMint likes to say that marriage is our best anti-poverty program, and he also has a point. But a 2004 study found that the majority of impoverished households in Appalachia were headed by married couples, not single mothers. Getting and staying married is not a surefire prophylactic against poverty. Neither are prophylactics. Kentucky has a higher teen-motherhood rate than the national average, but not radically so, and its young mothers are more likely to be married. Kentucky is No. 19 in the ranking of states by teen pregnancy rates, but it is No. 8 when it comes to teen birth rates, according to the Guttmacher Institute, its young women being somewhat less savage than most of their counterparts across the country. Kentucky and West Virginia have abortion rates that are one-fourth those of Rhode Island or Connecticut, and one-fifth that of Florida. More marriage, less abortion: Not exactly the sort of thing out of which conservative indictments are made. But marriage is less economically valuable, at least to men, in Appalachia – like their counterparts elsewhere, married men here earn more than their unmarried counterparts, but the difference is smaller and declining.

In effect, welfare has made Appalachia into a big and sparsely populated housing project — too backward to thrive, but just comfortable enough to keep the underclass in place. There is no cure for poverty, because there is no cause of poverty — poverty is the natural condition of the human animal. It is not as though labor and enterprise are unknown here: Digging coal is hard work, farming is hard work, timbering is hard work — so hard that the best and brightest long ago packed up for Cincinnati or Pittsburgh or Memphis or Houston. There is to this day an Appalachian bar in Detroit and ex-Appalachian enclaves around the country. The lesson of the Big White Ghetto is the same as the lessons we learned about the urban housing projects in the late 20th century: The best public-policy treatment we have for poverty is dilution. But like the old project towers, the Appalachian draw culture produces concentration, a socioeconomic Salton Sea that becomes more toxic every year.

“The government gives people checks, but nobody teaches them how to live,” says Teresa Barrett, a former high-school principal who now publishes the Owsley County newspaper. “You have people on the draw getting $3,000 a month, and they still can’t live. When I was at the school, we’d see kids come in from a long weekend just starved to death. But you’ll see those parents at the grocery store with their 15 cases of Pepsi, and that’s all they’ve got in the buggy — you know what they’re doing. Everybody knows, nobody does anything. And when you have that many people on the draw, that’s a big majority of voters.”

Her advice to young people is to study for degrees that will help them get jobs in the schools or at the local nursing home — or get out. “I would move in a heartbeat,” she says, but she stays for family reasons.

Speaking in the Rose Garden in March of 1965, Lyndon Johnson had high hopes for his Appalachia Bill. “This legislation marks the end of an era of partisan cynicism towards human want and misery. The dole is dead. The pork barrel is gone. Federal and state, liberal and conservative, Democrat and Republican, Americans of these times are concerned with the outcome of the next generation, not the next election. . . . The bill that I will now sign will work no miracles overnight. Whether it works at all depends not upon the federal government alone but the states and the local governments as well.” The dole, as it turns out, is deathless, and the pork barrel has merely been reincarnated as a case of Pepsi. President Johnson left out of his calculations the factor that is almost always overlooked by populists: the people.

There is another Booneville, this one in northern Mississippi, just within the cultural orbit of Memphis and a stone’s throw from the two-room shack in which was born Elvis Presley, the Appalachian Adonis. There’s a lot of Big White Ghetto between them, trailers and rickety homes heated with wood stoves, the post-industrial ruins of old mills and small factories with their hard 1970s lines that always make me think of the name of the German musical group Einstürzende Neubauten — “collapsing modern buildings.” (Some things just sound more appropriate in German.) You swerve to miss deer on the country roads, see the rusted hulk of a 1937 Dodge sedan nestled against a house and wonder if somebody was once planning to restore it – or if somebody just left it there on his way to Detroit. You see the clichés: cars up on cinderblocks, to be sure, but houses up on cinderblocks, too. And you get a sense of the enduring isolation of some of these little communities: About 20 miles from Williamsburg, Ky., I become suspicious that I have not selected the easiest route to get where I’m going, and stop and ask a woman what the easiest way to get to Williamsburg is. “You’re a hell of a long way from Virginia,” she answers. I tell her I’m looking for Williamsburg, Kentucky, and she says she’s never heard of it. It’s about the third town over, the nearest settlement of any interest, and it’s where you get on the interstate to go up to Lexington or down to Knoxville. “I went to Hazard once,” she offers. The local economic-development authorities say that the answer to Appalachia’s problems is sending more people to college. Sending them to Nashville might be a start.

Eventually, I find my road. You run out of Big White Ghetto pretty quickly, and soon you are among the splendid farms and tall straight trees of northern Mississippi. Appalachia pretty well fades away after Tupelo, and the Mississippi River begins to assert its cultural force. Memphis is only a half-hour’s drive away, but it feels like a different sort of civilization – another ghetto, but a ghetto of a different sort. And if you stand in front of the First Baptist Church on Beale Street and look over your shoulder back toward the mountains, you don’t see the ghost of Elvis or Devil Anse or Daniel Boone – you see a big sign that says “Wonder Bread,” cheap and white and empty and as good an epitaph as any for what remains left behind in those hills and hollows, waiting on the draw and trying not to think too hard about what the real odds are on the lotto or an early death.

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Washington Post

America's broken bootstraps

by George F. Will

All men are by nature equal,

But differ greatly in the sequel.

A quarter of a millennium later, that couplet from a colonial American almanac defines an urgent challenge. Modern society increases how, and the predictability of how much, people differ in the sequel.

If America is to be equitable, with careers open to all talents and competent citizens capable of making their way in an increasingly demanding world, Americans must heed the warnings implicit in observations from two heroes of modern conservatism. In "The Constitution of Liberty" (1960), Friedrich Hayek noted that families are the primary transmitters of human capital — habits, mores, education. Hence families, much more than other social institutions or programs, are determinative of academic and vocational success. In "The Unheavenly City" (1970), Edward C. Banfield wrote: "*All* education favors the middle- and upper-class child, because to be middle or upper class is to have qualities that make one particularly educable."

Elaborating on this theme, Jerry Z. Muller, a Catholic University historian, argued in the March-April 2013 issue of Foreign Affairs that expanding equality of opportunity *increases* inequality because some people are simply better able than others to exploit opportunities. And "assortative mating" — likes marrying likes — concentrates class advantages, further expanding inequality. As Muller said, "formal schooling itself plays a relatively minor role in creating or perpetuating achievement gaps" that originate "in the different levels of human capital children possess when they enter school."

The Cato Institute's Brink Lindsey argued in "Human Capitalism: How Economic Growth Has Made Us Smarter — and More Unequal" that this growth intensifies society's complexity, which "has opened a great divide between those who have mastered its requirements and those who haven't." Modernity — education-based complexity — intensifies the demands on mental abilities. People invest increasingly in human capital — especially education — because status and achievement increasingly depend on possession of the right knowledge.

Lindsey cited research showing that "by the time they reach age 3, children of professional parents have heard some 45 million words addressed to them — as opposed to only 26 million words for working-class kids, and a mere 13 million words in the case of kids on welfare." So, class distinctions in vocabularies are already large *among toddlers*. Parental choice of neighborhoods and schools mean that children of college-educated parents hang out together. Such peer associations may have as much effect on a child's development as do parents. These factors, Lindsey said, explain why "people raised in the upper middle class are far more likely to stay there than move down, while people raised in the working class are far more likely to stay there than move up."

In a historical blink, Lindsey said, humanity has moved from lives rooted in a remembered past to lives focused on an imagined future. This orientation favors the intellectually nimble. "Who gets ahead, who struggles to keep up, and who gets left behind are now determined primarily by

how people cope with the mental challenges of complexity." And coping skills are incubated in families.

Today, the dominant distinction defining socioeconomic class is between those with and without college degrees. Graduates earn 70 percent more than those with only high school diplomas. In 1980, the difference was just 30 percent.

Soon the crucial distinction will be between those with meaningful college degrees and those with worthless ones. Many colleges are becoming less demanding as they become more expensive: They rake in money — much of it from government-subsidized tuition grants — by taking in many marginally qualified students who are motivated only to acquire a credential and who learn little.

Lindsey reported that in 1961, full-time college students reported studying 25 hours a week on average; by 2003, average studying time had fallen to 13 hours. Half of today's students take no courses requiring more than 20 pages of writing in a semester. Given the role of practice in developing expertise, "the conclusion that college students are learning less than they used to seems unavoidable." Small wonder those with college degrees occupying jobs that do not require a high school diploma include 1.4 million retail salespeople and cashiers, half a million waiters, bartenders and janitors, and many more.

"Most American kids," Lindsey concluded, "are now raised in an environment that is arguably less favorable for developing human capital than that in which their parents were raised." America's limited-government project is at risk because the nation's foundational faith in individualism cannot survive unless upward mobility is a fact.

WSJ

Notable & Quotable

Economist Donald Boudreaux offers a thought experiment on income inequality and the inequality of leisure time.

Economist Donald Boudreaux in the Pittsburgh Tribune-Review, Dec. 25:

Suppose that Jones chooses a career as a poet. Jones treasures the time he spends walking in the woods and strolling city streets in leisurely reflection; his reflections lead him to write poetry critical of capitalist materialism. Working as a poet, Jones earns $20,000 annually.

Smith chooses a career as an emergency-room physician. She works an average of 60 hours weekly and seldom takes a vacation. Her annual salary is $400,000. Is this "distribution" of income unfair? Is Smith responsible for Jones' relatively low salary? Does Smith owe Jones money? If so, how much? And what is the formula you use to determine Smith's debt to Jones?

While Dr. Smith earns more money than does poet Jones, poet Jones earns more leisure than does Dr. Smith. Do you believe leisure has value to those who possess it? If so, are you disturbed by the inequality of leisure that separates leisure-rich Jones from leisure-poor Smith? Do you advocate policies to "redistribute" leisure from Jones to Smith—say, by forcing Jones to wash Smith's dinner dishes or to chauffeur Smith to and from work? If not, why not?