#### February 11, 2014

Angelo Codevilla says Solzhenitsyn was right when he said we should not live by lies. Being human, politicians lie. Even in the best regimes. The distinguishing feature of totalitarian regimes however, is that they are built on words that the rulers know to be false, and on somehow constraining the people to speak and act as if the lies were true. Thus the people hold up the regime by partnering in its lies. Thus, when we use language that is "politically correct" – when we speak words acceptable to the regime even if unfaithful to reality – or when we don't call out politicians who lie to our faces, we take part in degrading America.

The case in point is Television personality <u>Bill O'Reilly who, in his pre-Super Bowl interview with Barack Obama</u>, suffered the President to tell him – and his audience of millions – that the IRS' targeting of conservative groups had been a minor "bonehead" mistake in the Cincinnati office, because there is "not even a smidgen of corruption" in that agency. O' Reilly knew but did not say that both he and the President know this to be a lie, that the key official in the affair, Lois Lerner, had made sure that the IRS's decision on how to treat the Tea Party matter would be made in Washington by writing: that the matter was "very dangerous" and that "Cincy should probably NOT have these cases."

O' Reilly did not call out the lie. Nor did he just remain silent. Rather, he said of Obama that: "his heart is in the right place." ...

The most vulnerable in our country are worse off now after five years of this administration. <u>Arthur Brooks</u> proposes a conservative, free market safety-net construct.

Conservative leaders owe it to their followers and the vulnerable to articulate a positive socialjustice agenda for the right. It must be tangible, practical, and effective. And it must start with the following question: What do the most vulnerable members of society need? This means asking the poor themselves. ...

... What, then, do poor people say they truly need to lead prosperous and satisfying lives? The real answer is both simple and profound. They need transformation, relief, and opportunity—in that order. On these three pillars, conservatives and advocates for free enterprise can build the basics of the social-justice agenda that America deserves. ...

... The first pillar is personal moral transformation. By now, everyone acknowledges that poverty in America is often intertwined with social pathologies. In the late 1990s, scholars at the Urban Institute estimated that up to 37 percent of individuals enrolled in Aid to Families with Dependent Children abused drugs or alcohol. Similar findings connect poverty with criminality, domestic violence, and other problems.

Whether these problems are a product of poverty or mutually causal, common sense and the testimony of the poor themselves say that moral intervention must precede economic intervention for the latter to be truly effective.

All the evidence on happiness and successful living shows that living with intentionality, meaning, and purpose boosts well-being in unique and unparalleled ways. ...

... This, not puritanism or bourgeois condescension, is the reason that conservatives must promote and defend the time-tested stores of personal and social meaning. To presume that low-income Americans are somehow unworthy of the same cultural standards to which we hold ourselves and our own families is simple bigotry. Genuine moral aspiration, not patronizing political correctness, will be the tip of the spear in a true social-justice agenda. ...

... After transformation comes material relief. To deny that some Americans are genuinely needy requires willful blindness. In addition to the one-sixth of Americans currently receiving food assistance, consider a few more findings. A 2010 analysis from the National Center on Family Homelessness found that child homelessness spiked by a staggering 38 percent during the Great Recession years. And a team of public-health researchers stunned readers of the journal Health Affairs in 2012 when they released new life-expectancy findings. Among disproportionately low-income white females with fewer than 12 years of education, the scholars found that average life expectancy had fallen sharply since 1990.

Conservatives eager to reverse these facts naturally reach for their checkbooks. As I found in my 2006 book Who Really Cares, the average conservative household contributes significantly more to charity than does the average liberal household despite earning less income. According to the 1996 General Social Survey, those who strongly agreed that "the government has a responsibility to reduce income inequality" gave away \$140 on average to charity. Among those who strongly disagreed, the average gift was \$1,637.

Of the 10 most charitable states in 2012, as ranked by the Chronicle of Philanthropy, nine went for Romney over Obama. Three times as many red states as blue states placed in the top 20 states in giving. And all but one of the 10 least charitable states swung President Obama's way. ...

... To recognize that a safety net for the needy is meritorious is one thing; to say exactly how to build it is another. Which programs should conservatives support? The beginning of an answer lies in the conservative social-policy success story of our time: the welfare reform movement of the 1990s.

American social policy expanded enormously after World War II, largely directing new support to fatherless families in poverty. Conservatives watched as generations of Americans were alienated from the workforce, whole classes defined themselves as claimants on the government, and millions were consigned to squalid public housing and became dependent on income support disconnected from incentives to work.

Two centuries earlier, Thomas Jefferson cautioned that "dependence begets subservience and venality, suffocates the germ of virtue, and prepares fit tools for the designs of ambition." More recently, Franklin Roosevelt had warned in his 1935 State of the Union address that "continued dependence" on government support "induces a spiritual and moral disintegration fundamentally

destructive to the national fiber. To dole out relief in this way is to administer a narcotic, a subtle destroyer of the human spirit."

But Jefferson's and Roosevelt's words fell on deaf ears, and central planners charged ahead enthusiastically. ...

... Enlightened labor policy complimented by an appropriate safety net is a key component of material relief. But it also meshes with the sine qua non of American conservatism, the third plank in the social-justice agenda: opportunity.

Nothing inspires conservatives more than a Horatio Alger story, the tale of a man or woman who started with nothing and climbed to the top. Therefore, I submit, nothing should trouble the political right more than the fact that the ladder of socioeconomic opportunity seems to be losing its lowest rungs.

The Federal Reserve Bank of Boston has shown that in 1980, 21 percent of Americans in the bottom income quintile rose to the middle quintile or higher by 1990. But those who started off in the bottom quintile in 1995 had only a 15 percent chance of becoming middle class in 2005. That is a one-third decline in mobility in under a generation. Other analyses tell a similar tale. One 2007 Pew study measured relative mobility in Canada and Scandinavia at more than twice America's level.

How can a conservative social-justice agenda reverse these trends and expand opportunity for all? An opportunity society has two basic building blocks: Universal education to create a base of human capital and an economic system that rewards hard work, merit, innovation, and personal responsibility. So opportunity conservatism must passionately advance education reform and relentlessly defend the morality of free enterprise. ...

... Simply look at worldwide prosperity over the past four decades. When I was a child in 1970, third-world poverty was a picture in National Geographic of a needy child. Charity might help, but we all knew that there was effectively nothing to be done. Our efforts were just thimblefuls in a vast ocean of tragic need.

The world has changed profoundly since then. According to Columbia University economist Xavier Sala-i-Martin, the percentage of people in the world living on a dollar a day or less—a traditional measure of starvation-level poverty that he adjusts for inflation—has fallen by 80 percent since 1970. This is the greatest antipoverty achievement in world history. Yet it is not the result of philanthropy, para-statist organizations, or government foreign aid. This miracle occurred when billions of souls pulled themselves out of poverty thanks to globalization, free trade, property rights, the rule of law, and entrepreneurship.

In short, it was the worldwide spread of American-style free enterprise that saved billions from poverty by giving them their first opportunity to rise in history. Truly, this is America's gift to the world. Conservatives can and must champion this truth without apology or compromise. For the

sake of all people, our end goal must be to make free enterprise as universally accepted and nonpartisan as civil rights are today. ...

... Our nation has a great deal of need that goes unmet, and it is only exacerbated by years of misguided statist policies and a materialistic culture. The social-justice agenda outlined above can reorient us toward our best selves and toward our obligation to help the vulnerable.

It is an agenda that seeks transformation, relief, and opportunity. It means defending a culture of faith, family, community, and work; increasing our charity and protecting the safety net for the truly needy; and fighting for education reform and free enterprise as profound moral imperatives. ...

... Fighting for people doesn't mean a catalog of massive government programs. It means thinking carefully about who is in need and how their need can best be met. In some cases, such as caring for the truly poor and defending our allies around the world, the right solution may well involve the government. In others—such as a crumbling culture, needy children caught in ineffective schools, entrepreneurs struggling to start businesses, or people permanently dependent on the state—the proper conservative answer is for the government to stop creating harm and get out of the way. In both cases, conservatives can and should be equally bold warriors for vulnerable people.

The conservative creed should be fighting for people, especially vulnerable people, whether or not they vote as we do. Such an experiment cannot guarantee success. But its spark will relight the fires of hope in a wearied country that 64 percent of Americans feel is "off on the wrong track." In ethical, emotional, and potentially even electoral terms, no opportunity could be more promising than this opening to champion those who need our help.

This is our fight, and it is a happy one. After all, as Proverbs 14:21 reminds us, "He that despiseth his neighbor, sinneth: but he that hath mercy on the poor, happy is he."

#### Roger Simon who has visited Russia a few times, posts on events in Sochi.

... Communist, socialist, capitalist or something not yet invented, Russia will always be Russia — at least in most of our lifetimes anyway. It's a fascinating place with an amazing culture of many of history's greatest writers and musicians, but no one would ever want to live there or go there for a fun recreational vacation. It's just nerve-wracking. (Don't ask about the time I stayed in the Hotel Ukraina and the whole place had just been covered with heavily leaded paint and you couldn't open the windows.)

So when I heard that Sochi had been chosen for the Winter Olympics, I laughed and said to myself — this I've got to see. And apparently we are. Good luck to Team USA. I hope they packed some extra cases of Pellegrino or Evian, like five hundred bottles per athlete. It sounds as if they're going to need it for showers.

## Library of Law and Liberty Live Not by Lies

by Angelo M. Codevilla

Being human, politicians lie. Even in the best regimes. The distinguishing feature of totalitarian regimes however, is that they are built on words that the rulers know to be false, and on somehow constraining the people to speak and act as if the lies were true. Thus the people hold up the regime by partnering in its lies. Thus, when we use language that is "politically correct" – when we speak words acceptable to the regime even if unfaithful to reality – or when we don't call out politicians who lie to our faces, we take part in degrading America.

The case in point is Television personality <u>Bill O'Reilly who, in his pre-Super Bowl interview with Barack Obama</u>, suffered the President to tell him – and his audience of millions – that the IRS' targeting of conservative groups had been a minor "bonehead" mistake in the Cincinnati office, because there is "not even a smidgen of corruption" in that agency. O' Reilly knew but did not say that both he and the President know this to be a lie, that the key official in the affair, Lois Lerner, had made sure that the IRS's decision on how to treat the Tea Party matter would be made in Washington by writing: that the matter was "very dangerous" and that "Cincy should probably NOT have these cases."

O' Reilly did not call out the lie. Nor did he just remain silent. Rather, he said of Obama that: "his heart is in the right place."

I have written in this space: "Obama's premeditated, repeated, nationally televised lies... are integral, indeed essential, to his presidency and to the workings of the US government." They are neither innocent opinions nor mistakes. Rather, they grab for power by daring the listener to call them what they are. Failure to do so, never mind gratuitously granting them bona fides, is redefining our regime.

Nasty, brutish – and false – as was the Progressive assault on George W. Bush: e.g. "Bush lied, people died," Michael Moore's "Farenheit 9/11," etc., was very much part of a free society, in which people freely contest each other' view of reality. Alas, the Progressive ruling class is instituting a regime in which no one may contest what it knows full well to be false without suffering consequences.

How, for example, is one to react to the White House's explanation for the <u>Congressional Budget</u> <u>Office's projection that Obamacare will reduce the number of full-time workers in America by some 2.5 million over the next decade</u>? CBO says the law will do this by "creating an implicit tax on additional earnings" – in other words in-kind bonus for unemployment. But the White House, echoed by the New York Times, says that this is a good thing because it will free people, young and old, to pursue careers or retirement without having to worry about health coverage.

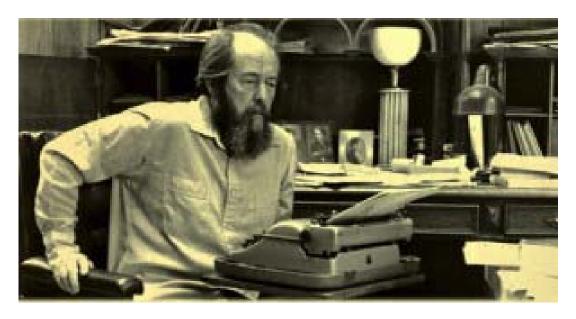
This is the sort of thing that one expects from the North Korean regime, explaining that the latest cut in food rations will free people from the tyranny of having to eat more than once a day, or as I heard on Cuban TV in 1969, that the government had cut the meat ration because its scientists had discovered that eating meat causes cancer. One can no more take such things as sincere expressions of mistaken opinions than anyone, Bill O'Reilly foremost, could legitimately take

Obama's statement that the IRS' targeting of conservatives was a "bonehead mistake" by low level officials in Cincinnati.

Why then do we not call lies lies, and liars liars? Because there are consequences. Had O'Reilly told Obama something like "You know that this is false. You are insulting me by lying to my face. What makes you think that I, or any other American would stand for that?" he would have been ostracized by the Establishment – and lost his prized access to the White House.

For ordinary Americans, calling the regime's lies by their name, deviating from political correctness, carries far stiffer penalties, because the regime has labeled each such deviation as an antisocial pathology: racism, sexism, homophobia, islamophobia, "denialism,"etc., any of which mark you as an opponent of those who count. They may fire you, pass you over, or just exclude you from that to which you wish to be included.

This is new and incomplete. But only in America. It is the very routine, the very constitution, of totalitarian society. Returning our attention to the indissoluble link between truth and freedom, lies and servitude, was the great <u>Aleksandr Solzhenitsyn's enduring contribution to our civilization</u>.



Solzhenitsyn showed that totalitarianism works by leading people to take part in the regime's lies, and that it does so mostly by a host of petty incentives. Then he wrote: "the simplest and most accessible key to our self-neglected liberation lies right here: Personal non-participation in lies. Though lies conceal everything, though lies embrace everything, but not with any help from me." The lies that hold up corrupt regimes, he noted, like infections, "can exist only in a living organism." Hence whoever will live in freedom "will immediately walk out of a meeting, session, lecture, performance or film showing if he hears a speaker tell lies, or purvey ideological nonsense or shameless propaganda."

We should all do that. Even Bill O'Reilly.

Angelo M. Codevilla is professor emeritus of international relations at Boston University. He served as a U.S. Senate Staff member dealing with oversight of the intelligence services. His book Peace Among Ourselves and With All Nations is forthcoming from Hoover Institution Press.

#### Commentary

#### 'Be Open-Handed Toward Your Brothers'

by Arthur C. Brooks

There will always be poor people in the land. Therefore I command you to be open-handed toward your brothers and toward the poor and needy in your land.

#### **Deuteronomy 15:11**

The 2008 election marked the return of progressive politics in America. For the first time in 16 years, Democrats won both houses of Congress and the White House. They wasted no time in articulating a progressive agenda they claimed would offset the Great Recession and turn America toward greater fairness and compassion. Lifting up the poor, decreasing inequality, and curbing runaway income gains among the wealthiest Americans ranked high among their stated priorities.

It has been five years. How has their project turned out?

Since January 2009, the Dow Jones Industrial Average has more than doubled. Last year brought the largest annual increase in the S&P 500 since the late 1990s. And the vast bulk of this sustained market surge has accrued to the extremely wealthy. According to New York University economist Edward Wolff, the top 10 percent of earners own 81 percent of stocks and mutual funds, 95 percent of financial securities, 92 percent of business equity, and 80 percent of non-home real estate. So it comes as little surprise that nearly all the real income growth that President Obama's "recovery" has generated would flow to the wealthiest Americans. According to University of California, Berkeley, economist Emmanuel Saez, 95 percent of all recovery gains have accrued to the much-vilified "top 1 percent."

At the same time, the poor have become even more desperate. The number of Americans receiving aid through the Supplemental Nutrition Assistance Program (known as food stamps) has increased by almost 50 percent since January 2009, from 32.2 million to 47.7 million. One in six citizens in the richest country in the world now rely on food aid from their government.

Today, a lower percentage of Americans are in the workforce—63 percent, according to the Bureau of Labor Statistics—than at any time since the infamous days of Jimmy Carter. This has the effect of reducing the official unemployment rate, which led Binyamin Appelbaum of the *New York Times* to quip: "We are basically 'recovering from the recession' by reducing the share of Americans who participate in the labor force. Hurrah!"

And what has happened to income inequality? A central theme in each of the president's campaigns, this is one metric by which committed egalitarian liberals might judge this administration. Economists measure inequality with the Gini coefficient, a number from 0 to 1. Zero denotes complete equality, and 1 would be complete inequality, with all income possessed by one person. Since January 2009, the Gini coefficient has moved from 0.47 to 0.48.

In sum, the administration's ostensibly pro-poor, tough-on-the-wealthy agenda has led us toward a new American Gilded Age. Our putatively progressive president has inadvertently executed a plutocratic tour de force.

But the administration's failure to achieve the president's stated goals is nothing for his opponents to celebrate. Few conservatives begrudge the wealthy their gains, and many are skeptical that income inequality is meaningful in and of itself. But the fact that many Americans continue to suffer years after the technical end of the Great Recession should offend any sense of plain justice. The administration's pathetic performance demands not schadenfreude, but answers. Conservatives need a social-justice agenda of their own.

#### **Conservatives and Poverty**

When wealthy liberals attempt to demonstrate their own charitable bona fides by insisting that taxes should be raised, conservatives seethe. It is easy to be generous with other people's money, and the idea that support for higher taxes is a mark of good character badly confuses intentions for effective action. This is a moral framework built not around altruism, but sanctimoniousness.

But simply frowning at such fatuousness is no substitute for action. The American conservative's reluctance to articulate a social-justice agenda of his own only feeds the perception that the right simply doesn't care about the less fortunate. The lack of a positive plan makes it feasible for a president whose own tenure has proven disastrous for the poor to assail his Republican opponents with these extraordinary words: "Their philosophy is simple: You're on your own. You're on your own if you're out of work, can't find a job. Tough luck, you're on your own. You don't have health care: That's your problem. You're on your own. If you're born into poverty, lift yourself up with your own bootstraps, even if you don't have boots. You're on your own."

Obama's 2012 opponent hardly made things better. Mitt Romney's unfortunate claim that "47 percent" of Americans "believe that they are victims [whom] the government has a responsibility to care for" and that they could never be persuaded to support his campaign did little to combat misconceptions. And the caricature of Republican callousness has been repeated so often that conservatives can even fall into a kind of political Stockholm Syndrome. In a 1999 study, researchers at UCLA found that subjects viewed liberals as generous and conservatives as "somewhat heartless," without regard to their own political views.

Conservative leaders owe it to their followers and the vulnerable to articulate a positive socialjustice agenda for the right. It must be tangible, practical, and effective. And it must start with the following question: What do the most vulnerable members of society need? This means asking the poor themselves.

Most academic research on poverty is eerily divorced from contact with the actual people it references. One of my colleagues tells an instructive story. One afternoon, as he beavered away at his Ph.D. dissertation in a top university's poverty-research center, an *actual poor person* walked in. He had seen the signs and was simply looking for help. The expert researchers had no idea what to do. Their instinct was to call security.

Interviews with poor and vulnerable citizens, especially those whose struggles to lift themselves up have yielded success, provide more insight in these conversations than any survey database could impart. From my experience conducting such interviews, many express an apolitical contempt for

all politicians, liberal and conservative. They denounce with equal force the progressive politicians who believe that cash and redistribution alone can solve poverty and the conservatives who act as though every poor person should simply start a small business.

What, then, do poor people say they truly need to lead prosperous and satisfying lives? The real answer is both simple and profound. They need transformation, relief, and opportunity—in that order. On these three pillars, conservatives and advocates for free enterprise can build the basics of the social-justice agenda that America deserves.

#### **Transformation**

The first pillar is personal moral transformation. By now, everyone acknowledges that poverty in America is often intertwined with social pathologies. In the late 1990s, scholars at the Urban Institute estimated that up to 37 percent of individuals enrolled in Aid to Families with Dependent Children abused drugs or alcohol. Similar findings connect poverty with criminality, domestic violence, and other problems.

Whether these problems are a product of poverty or mutually causal, common sense and the testimony of the poor themselves say that moral intervention must precede economic intervention for the latter to be truly effective.

All the evidence on happiness and successful living shows that living with intentionality, meaning, and purpose boosts well-being in unique and unparalleled ways. In one typical study, Swedish researchers surveyed 900 Americans and found an especially successful group of "self-fulfilling individuals" who draw on wellsprings of meaning such as community, spirituality, and personal responsibility. These people had the least depression, the most positive affect, and the highest life satisfaction—all distinct measures of enduring well-being.

As one digs deeper into the data, four transformational values prove to be concentric to a well-ordered, successful, and happy life: faith, family, community, and work.

We can use data from the 2010 General Social Survey to construct two demographically identical individuals. Both men are of the same age and race, attained the same level of education, and earn equal incomes—but here the similarities end. One is religious, married with two children, and lands in the top 10 percent of Americans in both hours worked and community engagement. The other is single with no kids and no religion, and his hours worked and social involvement both rank in the bottom decile.

How satisfied with life will these men be? The data indicate that the first man has a 47 percent likelihood of saying that he is "very happy" with his life, all things considered. The odds that the second man would say the same are a meager 10 percent. Hold everything constant but faith, family, community, and work—and the gap in well-being is enormous.

And it is precisely these four institutions that are increasingly absent in poor America. In his important 2012 book *Coming Apart*, Charles Murray shows that population averages for these "institutions of meaning" conceal a stark bifurcation beneath. In high-income, high-education America, these institutions are abundant. At the bottom, they are rapidly vanishing.

To be sure, many of our poor neighbors lead happy, upright lives full of faith, family, community, and fulfilling work. But to deny that these are disproportionately missing in poor communities today is to shove aside the facts and ignore an undeniable if inconvenient truth. Transforming the character and values of individuals and communities is essential to genuinely helping those in need. To say otherwise is to contradict their own testimonials.

This, not puritanism or bourgeois condescension, is the reason that conservatives must promote and defend the time-tested stores of personal and social meaning. To presume that low-income Americans are somehow unworthy of the same cultural standards to which we hold ourselves and our own families is simple bigotry. Genuine moral aspiration, not patronizing political correctness, will be the tip of the spear in a true social-justice agenda.

#### Material Relief

After transformation comes material relief. To deny that some Americans are genuinely needy requires willful blindness. In addition to the one-sixth of Americans currently receiving food assistance, consider a few more findings. A 2010 analysis from the National Center on Family Homelessness found that child homelessness spiked by a staggering 38 percent during the Great Recession years. And a team of public-health researchers stunned readers of the journal *Health Affairs* in 2012 when they released new life-expectancy findings. Among disproportionately low-income white females with fewer than 12 years of education, the scholars found that average life expectancy had *fallen* sharply since 1990.

Conservatives eager to reverse these facts naturally reach for their checkbooks. As I found in my 2006 book *Who Really Cares*, the average conservative household contributes significantly more to charity than does the average liberal household despite earning less income. According to the 1996 General Social Survey, those who strongly agreed that "the government has a responsibility to reduce income inequality" gave away \$140 on average to charity. Among those who strongly disagreed, the average gift was \$1,637.

Of the 10 most charitable states in 2012, as ranked by the *Chronicle of Philanthropy*, nine went for Romney over Obama. Three times as many red states as blue states placed in the top 20 states in giving. And all but one of the 10 *least* charitable states swung President Obama's way.

Why do conservatives give more? The research shows that the largest charity differences owe to religious participation. We see that religious liberals are approximately as generous as their conservative co-religionists. But there are far more religious conservatives today than religious liberals, so the political gap persists.

It would be wonderful if America could solve all problems of poverty and need through private charity. We can and should give even more, and conservatives must continue to lead by example. But even in this remarkably charitable country—where voluntary giving alone exceeds the total GDP of nations such as Israel and Chile—private donations cannot guarantee anywhere near the level of assistance that vast majorities of Americans across the political spectrum believe is our moral duty.

Consider the present total that Americans give annually to human-service organizations that assist the vulnerable. It comes to about \$40 billion, according to Giving USA. Now suppose that we could

spread that sum across the 48 million Americans receiving food assistance, with zero overhead and complete effectiveness. It would come to just \$847 per person per year.

Or take the incredible donation levels that followed Hurricane Katrina in 2011. The outpouring of contributions exceeded \$3 billion, a record-setting figure that topped even the response to the attacks of September 11, 2001. But even this historic episode raised enough to offset only 3 percent of the costs the storm imposed on the devastated areas of Louisiana and Mississippi. Voluntary charity simply cannot get the job done on its own.

#### The Safety Net

That leaves the government safety net. Is a limited, targeted safety net consistent with conservatism? Or is it one more way station on the road to serfdom?

Before you answer, here is a pop quiz. Which unrepentant statist wrote the following words?

There is no reason why, in a society that has reached the general level of wealth ours has, the first kind of security should not be guaranteed to all without endangering general freedom; that is: some minimum of food, shelter, and clothing, sufficient to preserve health. Nor is there any reason why the state should not help to organize a comprehensive system of social insurance in providing for those common hazards of life against which few can make adequate provision.

Was it Franklin Roosevelt, John Rawls, Ralph Nader? Not by a longshot. It was Friedrich Hayek. That passage is featured in his seminal free-market text *The Road to Serfdom*.

Hayek, along with most Americans, easily distinguishes between "some minimum of food, shelter, and clothing"—a core safety net for the truly indigent—and the sprawling, rent-seeking tangle that is today's welfare state. Hayek recognized that it is the right that champions a true, sustainable safety net; progressives prefer an ever-expanding system for redistributing income more broadly and establishing greater state control over the economy.

Take the Affordable Care Act. For all its economic disruption and tremendous expenses, does President Obama's signature achievement at least offer coverage to all needy Americans? Not even close. According to the *New York Times*, roughly 8 million low-income Americans are "impoverished, uninsured, and ineligible for help." What the law does do is extend generous subsidies to citizens earning up to four times the poverty line and pledge sub-market premiums to millions more. And it pays for all this by diverting tax revenues and jacking up premiums for other citizens. One of the law's most enthusiastic supporters in Congress put the point all too clearly: "Some are going to pay more so that others can pay less."

ObamaCare is a case in point. Left unchecked, the left's labyrinthine schemes will push America toward insolvency—and leave us unable to fund even the most fundamental parts of the safety net for those who truly need it.

Consider the European social democracies mired in economic crisis. What made, say, Greece so vulnerable to the economic meltdown? The Greek government spent well beyond its means, lavishing funds on public-sector salaries and middle-class "entitlements." For more than a decade, heavy government borrowing facilitated all this spending. But the international financial crisis

prompted foreigners to seek higher returns for purchasing Greek debt. At the most desperate hour for the most vulnerable Greeks, the nation had no choice but to cut spending dramatically.

Whom did austerity hit the hardest? From 2009 to 2010 alone, household disposable income in Greece dropped by more than 12 percent, and an Oxfam analysis found that most of that nosedive came from surging unemployment among those already on the margins. From 2010 to 2011, the homeless population climbed by 25 percent. Access to public health services fell sharply, crime rose, and suicide rates increased by a quarter.

In short, Greece's poor bore the brunt of the bankruptcy that government profligacy invites. And so it will be here in America if we do not change course. Meteoric entitlement spending, the most holy of progressives' sacred cows, will ultimately devolve into macroeconomic insolvency. Indiscriminate austerity cuts would be inevitable. And austerity always and everywhere hurts the poor the most, by weakening the economy and shredding the real safety net. Conservative fiscal policy does not cut against commitments to struggling American families. To the contrary, it is the only way to uphold them.

#### **Looking to Welfare Reform**

To recognize that a safety net for the needy is meritorious is one thing; to say exactly how to build it is another. Which programs should conservatives support? The beginning of an answer lies in the conservative social-policy success story of our time: the welfare reform movement of the 1990s.

American social policy expanded enormously after World War II, largely directing new support to fatherless families in poverty. Conservatives watched as generations of Americans were alienated from the workforce, whole classes defined themselves as claimants on the government, and millions were consigned to squalid public housing and became dependent on income support disconnected from incentives to work.

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But Jefferson's and Roosevelt's words fell on deaf ears, and central planners charged ahead enthusiastically. The American welfare system grew and grew throughout the 1970s. The root of change was planted in Charles Murray's 1984 book, *Losing Ground*, which argued forcefully that the system's problem was not primarily economic, but ethical. Policies that inadvertently trapped people in miserable conditions only harmed those who sorely needed help. And by holding people in this condition, the system created dependency that stripped people of the dignity that inheres in earning one's own way.

In the mid-80s, these arguments were radical. Ten years later, they were mainstream, and the idea of welfare reform was embraced by a Democratic president. Clinton-era legislation empowered people to punch through dependency by imposing time limits on how long they could receive support and by conditioning receipt of benefits on work. Welfare reform was signed into law in

1996, and it was a resounding success. According to the U.S. government, it helped 4.7 million Americans move from chronic helplessness to self-sufficiency within just three years of enactment; by 2004, the welfare caseload had declined by 54 percent.

This case study offers three lessons for us today. First, there is nothing *inherently* wrong with safety-net programs, be they SNAP, housing support, or Medicaid. Second, they must be designed and administered in ways that fight fiercely against dependency. And third, the safety net's ultimate goal cannot be the perpetual subsistence of poor Americans in barely tolerable lives. We can aim at nothing less than real human flourishing.

These principles compel conservatives to focus on the main source of misery in America's present stagnation: our dysfunctional labor market. Earlier in this essay, I relayed our historically poor rate of labor-force participation. Fewer than two-thirds of 10 working-age Americans are employed or seeking employment. And no national number, even one this depressing, fully captures the plight of the poor. It represents an illusory average of two radically different economic experiences, into which Americans are sorted based on their background and their wealth.

Research by Northeastern University economists shows that the wealthiest American workers have already recovered to full employment, and they did so relatively quickly after the recession's official end. Not so for the working poor, whose persistent double-digit unemployment rate is reminiscent of the Great Depression's.

And while entrepreneurship is often thought to offer unemployed Americans a path to productivity, the data here are equally bleak: The Kauffman Foundation's latest report found that new firm formation remains well below pre-recession levels. All this explains why outright majorities told the Pew Research Center in September that their household incomes and job situations have recovered "hardly at all" since the recession. Roughly 70 percent felt that government extended either "a great deal" or "a fair amount" of help to megabanks and massive corporations, but the same fraction said those policies have done "not much" or "nothing at all" to help the poor.

Faced with these terrible statistics, President Obama and his allies reach reflexively for an old favorite—increasing the minimum wage. California, New Jersey, and 11 other states just did so on January 1. Washington D.C.'s city council recently approved a massive increase from \$8.25 to \$11.50 that will be phased in by 2016. And in late December, the *New York Times* reported that the president and Democrats in Congress plan to make hiking the federal minimum wage a front-and-center concern in the 2014 midterms.

Properly considered, the minimum wage is not part of the safety net at all. Even functioning as intended, the policy makes it marginally more expensive to hire new low-skilled employees in exchange for ensuring a marginally higher standard of living for those with jobs already. A January 2013 report from the National Bureau of Economic Research surveys the recent literature and concludes that—consistent with the views of nearly all mainstream economists—"minimum wages pose a tradeoff of higher wages for some against job losses for others."

So minimum-wage laws create both winners and losers. The winners tend to be secondary earners in middle-class households, and the losers tend to be the least-educated workers with the most tenuous grip on jobs to begin with. For short, imagine a public policy that reduces opportunity among urban minority youth in order to provide pay raises for my teenage children. That policy exists. It is called an increase in the minimum wage. It is the left's top priority. Never mind that the

Employment Policies Institute finds "no statistically significant evidence that a higher minimum wage has helped reduce financial, housing, health, or food insecurity" among the poor households it claims to assist.

Policymakers who put actual people ahead of dated dogma would sooner cut the minimum wage than raise it. In a recent *National Affairs* essay, my colleague Michael Strain explains how dramatically lowering the minimum wage for the long-term unemployed would make the least fortunate Americans uniquely cheap to hire. At present, America's million-plus long-term unemployed are caught in a vicious cycle. Their increasingly lengthy jobless spells make them increasingly unattractive applicants.

In a job market brimming with safer bets, high minimum wages price these marginalized people right out of the labor market. Making them initially employable at sub-minimum wages would give them a fighting chance.

But wouldn't this policy leave workers with too little to get by? Not in the forms that any serious conservative has proposed. Expanding the Earned Income Tax Credit or, better yet, crafting more straightforward wage subsidies for the working poor would support poor families' budgets without making them costlier to employ. Either approach would strengthen work incentives rather than undermine them.

Strain makes another intriguing proposal involving relocation vouchers. Using a mixture of direct payments and low-interest loans, the government could help cover costs for chronically unemployed Americans to move to areas with more plentiful opportunities. Obviously, not everyone will pick up and move, however generous the voucher. But at a time when economic conditions vary wildly between regions, the opportunity is a powerful one.

Thousands of low-income families would probably prefer to pursue hope and prosperity in booming states such as North Dakota (where unemployment sits at 2.6 percent) than continue cashing government checks and despairing in, say, Michigan (8.7 percent) or Rhode Island (9.0 percent). Relocation might well offer the spark they need to begin rebuilding their résumés—and their lives. And a simple, public two-page document that compared local labor markets across the United States would go a long way toward informing interested workers about available positions.

#### **Opportunity**

Enlightened labor policy complimented by an appropriate safety net is a key component of material relief. But it also meshes with the sine qua non of American conservatism, the third plank in the social-justice agenda: opportunity.

Nothing inspires conservatives more than a Horatio Alger story, the tale of a man or woman who started with nothing and climbed to the top. Therefore, I submit, nothing should trouble the political right more than the fact that the ladder of socioeconomic opportunity seems to be losing its lowest rungs.

The Federal Reserve Bank of Boston has shown that in 1980, 21 percent of Americans in the bottom income quintile rose to the middle quintile or higher by 1990. But those who started off in the bottom quintile in 1995 had only a 15 percent chance of becoming middle class in 2005. That is a one-third decline in mobility in under a generation. Other analyses tell a similar tale. One 2007

Pew study measured relative mobility in Canada and Scandinavia at more than twice America's level.

How can a conservative social-justice agenda reverse these trends and expand opportunity for all? An opportunity society has two basic building blocks: Universal education to create a base of human capital and an economic system that rewards hard work, merit, innovation, and personal responsibility. So opportunity conservatism must passionately advance education reform and relentlessly defend the morality of free enterprise.

Education reform has been discussed ad nauseam in these pages and elsewhere. We know that meaningful progress cannot be made in sclerotic systems that put adults' job security before children's civil rights and that resist the innovations that upgrade the rest of the economy.

Per-pupil federal education spending has skyrocketed to nearly four times its 1970 level, according to data compiled by Andrew Coulson of the Cato Institute. What has this massive inflow of new resources bought us? A sizeable increase in our school systems' employment rolls—but no detectable increase in our children's test scores in reading, science, or math.

And this fecklessness is not evenly spread across America. Our broken bureaucracies systematically ship the very worst product to their most vulnerable consumers. Public schools in Washington D.C. spend more per pupil than all but one U.S. state (New York), yet only about 56 percent of children graduate from high school. In our nation's capital, a city flanked by six suburban counties that rank among America's 10 richest, only 15 percent of eighth-graders read at grade level.

Similar stories characterize cities with poor populations all around the country. And anyone who believes that a barely literate high school dropout is running a fair race in America is deluding himself. Equally delusional still is many politicians' blind faith that the existing statist apparatus can or will do anything more than heave more money down the well while we fail more generations of poor American children. This is the civil-rights struggle of our time.

What to do? It's not as if we have no idea how to improve the situation. Decades of research and experimentation in real communities have shown how charter schooling, vouchers, and other innovations can benefit needy children. In one rigorous 2007 study, scholars from Harvard and the Brookings Institution found that school vouchers in New York City significantly increased the proportion of African-American students who went on to attend college. Research from Stanford shows that access to charter schools reduced New York City's black-white achievement gap by 66 percent in reading and a stunning 86 percent in math; a Harvard economist has found that Boston's charters produce similarly massive improvements.

AEI education expert Frederick M. Hess has spent decades reviewing these results, and his conclusion is unambiguous: "For poor parents trapped in dangerous and underperforming urban school systems, it is pretty clear that school choice works."

Similarly, we have a wealth of information on the best ways to teach disadvantaged children and recruit, retain, and reward the best teachers. In one recent study, prominent economists from Harvard, the University of Chicago, and University of California, San Diego, found that linking teacher pay to student performance pushed up test scores among working-class students near Chicago. Interestingly, their research suggests that paying every teacher a bonus up-front and

then taking the money back from subpar performers can be even more effective than conventional after-the-fact rewards.

Why do these and countless other lessons go unheeded on a national scale? If we know what solutions work, why aren't they scaling up? Simple: They upset the status quo. In California, more than 283,000 teachers and roughly 23,000 administrators work in an education sector that consumes nearly 40 percent of the state's entire general fund. Fundamental, disruptive innovation might mean a significant inconvenience for a huge number of well-organized grown-ups. And by definition, the families and communities who would stand to benefit the most have little time and money to spare on costly political battles.

This is a classic public-choice problem, and only a crusade for social justice will stand a chance at winning this fight.

But education reform is just the first battlefield. Equipped with adequate human capital to earn their success, Americans then deserve a system that makes that earned success possible on the widest imaginable scale. Only the free-enterprise system fits the bill.

Simply look at worldwide prosperity over the past four decades. When I was a child in 1970, thirdworld poverty was a picture in *National Geographic* of a needy child. Charity might help, but we all knew that there was effectively nothing to be done. Our efforts were just thimblefuls in a vast ocean of tragic need.

The world has changed profoundly since then. According to Columbia University economist Xavier Sala-i-Martin, the percentage of people in the world living on a dollar a day or less—a traditional measure of starvation-level poverty that he adjusts for inflation—has fallen by *80 percent* since 1970. This is the greatest antipoverty achievement in world history. Yet it is not the result of philanthropy, para-statist organizations, or government foreign aid. This miracle occurred when billions of souls pulled themselves out of poverty thanks to globalization, free trade, property rights, the rule of law, and entrepreneurship.

In short, it was the worldwide spread of American-style free enterprise that saved billions from poverty by giving them their first opportunity to rise in history. Truly, this is America's gift to the world. Conservatives can and must champion this truth without apology or compromise. For the sake of all people, our end goal must be to make free enterprise as universally accepted and nonpartisan as civil rights are today.

#### **Conservative Social Justice**

Our nation has a great deal of need that goes unmet, and it is only exacerbated by years of misguided statist policies and a materialistic culture. The social-justice agenda outlined above can reorient us toward our best selves and toward our obligation to help the vulnerable.

It is an agenda that seeks transformation, relief, and opportunity. It means defending a culture of faith, family, community, and work; increasing our charity and protecting the safety net for the truly needy; and fighting for education reform and free enterprise as profound moral imperatives.

This agenda will do the most good for the most people—and revive the conservative movement. For too long, conservatives have identified themselves as fighting *against* things, perpetually

making war on the left's mistaken priorities. They fight against punitive taxes, creeping overregulation, wasteful spending, licentious culture, and ruinous national debt.

There is no reason to repudiate the ideology behind these fights. But these second-order policy fights are not intrinsic to a better nation; they are merely instrumental. The central, motivating purpose of conservative philosophy is not fighting against things. It is fighting for people.

Fighting for people doesn't mean a catalog of massive government programs. It means thinking carefully about who is in need and how their need can best be met. In some cases, such as caring for the truly poor and defending our allies around the world, the right solution may well involve the government. In others—such as a crumbling culture, needy children caught in ineffective schools, entrepreneurs struggling to start businesses, or people permanently dependent on the state—the proper conservative answer is for the government to stop creating harm and get out of the way. In both cases, conservatives can and should be equally bold warriors for vulnerable people.

The conservative creed should be fighting for people, especially vulnerable people, whether or not they vote as we do. Such an experiment cannot guarantee success. But its spark will relight the fires of hope in a wearied country that 64 percent of Americans feel is "off on the wrong track." In ethical, emotional, and potentially even electoral terms, no opportunity could be more promising than this opening to champion those who need our help.

This is our fight, and it is a happy one. After all, as Proverbs 14:21 reminds us, "He that despiseth his neighbor, sinneth: but he that hath mercy on the poor, happy is he."

#### **About the Author**

Arthur C. Brooks is president of the American Enterprise Institute

### Roger L. Simon Sochi, Mon Amour

The news from the Sochi Olympics — poisonous yellow water in hotel faucets, hackers and spies at every turn, the unsurprising dearth of foreign tourists — brought back memories of my three trips to Russia, twice when it was still the Soviet Union and once in its quasi-captialist current incarnation.

The first visit — as it often is — was the most interesting, with the most powerful memories. On that trip, in the late eighties, I was with a delegation from the International Association of Crime Writers, the first writers' group with members on both sides of the Iron Curtain. Only most of the members from our side of the curtain, including me at that time, were lefties.

Lefty though I was, however, it didn't stop me from seeing the USSR, almost from arrival, as a giant jail. Minders, i.e., spies, were everywhere. And I mean EVERYWHERE. It was practically the national occupation. It was how they solved their unemployment problem.

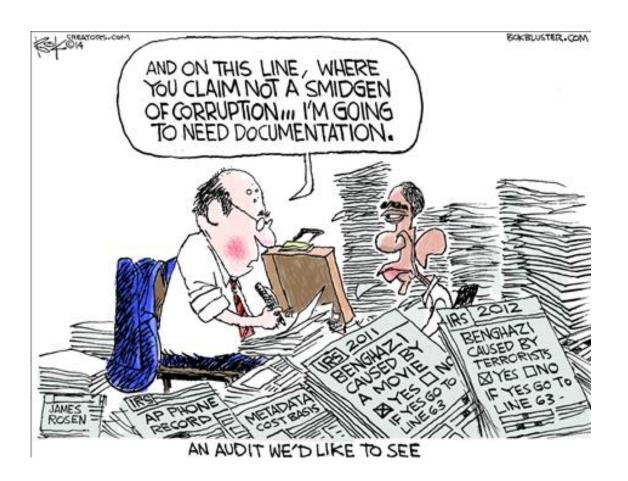
I remember sitting in the lobby of the Hotel Cosmos, a decaying pseudo-futurist joint replete with model sputniks for chandeliers, when Laura Grimaldi, the Italian delegate, leaned over to me and said, "Watch this." (We had been talking about the plethora of spies.) She then proceeded to stand and walk across the huge lobby toward the rest rooms. Three *babushka* ladies with brooms and buckets, each one in separate corners of the room, immediately stopped what they were doing, propped their brooms against the wall, and headed after her straight into the ladies' room. As soon as Laura was finished, they followed her out again and duly resumed sweeping. It was sort of like a silent comedy, but it was the Soviet Union in a nutshell.

I have many similar stories and of course, these days they have more efficient technological means to do the same thing. But on that same trip, in Yalta, not all that far from Sochi, come to think of it, an attractive reporter from *Soviet Screen* attempted to recruit me for the KGB. I won't disclose here whether she succeeded, though the whole experience almost made me incontinent. You can read the details here.

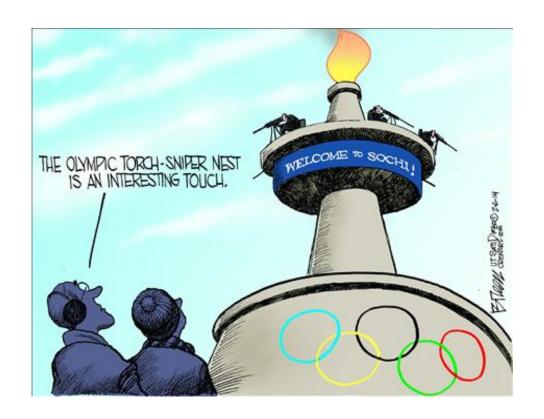
My next trip was with a group of screenwriters from here in Tinseltown (that was at the height of *glasnost* — I saw Yeltsin speak) and my third visit was at the invitation of some once-Soviet, now-Russian filmmakers to be on the jury of a film festival in Siberia. By then, everyone was driving Jeep Cherokees in the snow and Russian actresses were in minks, but it wasn't much different. As on every other trip, my assigned personal interpreter was unquestionably a spy, reporting back on my every word and watching everywhere I went.

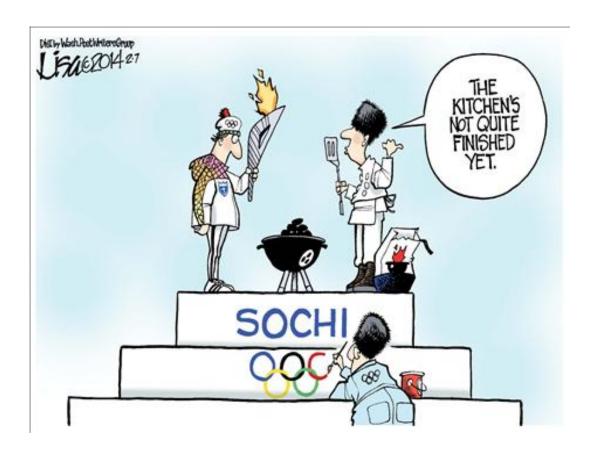
Communist, socialist, capitalist or something not yet invented, Russia will always be Russia — at least in most of our lifetimes anyway. It's a fascinating place with an amazing culture of many of history's greatest writers and musicians, but no one would ever want to live there or go there for a fun recreational vacation. It's just nerve-wracking. (Don't ask about the time I stayed in the Hotel Ukraina and the whole place had just been covered with heavily leaded paint and you couldn't open the windows.)

So when I heard that Sochi had been chosen for the Winter Olympics, I laughed and said to myself — this I've got to see. And apparently we are. Good luck to Team USA. I hope they packed some extra cases of Pellegrino or Evian, like five hundred bottles per athlete. It sounds as if they're going to need it for showers.















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