
Testimony before the United States Senate Committee On The Budget

**by Robert L. Woodson, Sr.
Founder and President of the Center for Neighborhood Enterprise
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I'm speaking as someone whose life's work has been committed to helping low-income people to help themselves to rise up. Along the way, it became obvious that what I was fighting against wasn't just the dysfunction of the people I was helping but it was also the dysfunction of the system that was put in place to help them.

Since its inception in 1964, the War on Poverty has spent nearly \$20 trillion. Today, the federal government runs 80 means-tested programs providing aid to the poor at the cost of \$1 trillion a year. If we were going to have won the war on poverty with spending, it would have been done a long time ago.

The issue isn't amount of funding but the outcomes of the programs. Those outcomes are a direct result of the incentives built into those programs. Sometimes those incentives encourage dependence, even for generations. Sometimes incentives help people gain personal responsibility and pursue their dreams.

So if we want to help those in need, we need to ask: Is the approach we are taking to relieve poverty by what we call the safety net actually helping or is it injuring with the helping hand?

It's not surprising that, regardless of intention, a system that rewards failure and punishes success has generated ever-increasing dependency. You get more of what you reward and less of what you punish.

Not long ago, a [story](#) in the *New York Times* shocked politicians on both sides of the aisle when it revealed that an impoverished Appalachian couple had pulled their kids out of a literacy program because they feared they would not qualify for their SSI check if their children could read.

It was not a shock to me. I have seen similar cases again and again.

When my daughter was earning her degree in pastoral counseling, she was an intern in a high-school class for low-income kids with behavioral problems. One girl she met with was under a lot of stress. She was 15 and had a two-year-old baby. She and her boyfriend were living with her grandmother because her father was out of the picture and her mom was on drugs. But one day she came into my daughter's office and was very excited. She had figured out a plan. She would try to get pregnant again, and then would qualify for more money and more food stamps and she and her boyfriend would move into Section 8 housing. The girl even knew how much of the rent she would have to pay. That was her dream. She had her whole life figured out within the government programs.

The entrapment of the system even hit closer to home. I had a niece who was in her 30s and had been on welfare for years. She was living with her child in one of the most dangerous public housing projects in Philadelphia. The apartment complex was so dangerous that my nephew who was a police officer warned me about going there and said he wouldn't even go in there with his gun.

I spent thousands of dollars trying to help her relocate. I found an apartment for her in Arlington and found a job for her. But when I went to pick her up, she was in a bathrobe with a beer in her hand in the middle of the afternoon. She couldn't bring herself to make the move and leave the situation she had.

My efforts to help her help herself couldn't compete with the welfare system.

In the system, she knew she had a place to live, no matter how dangerous, and she had food and day-care benefits.

It wasn't until welfare reform became a reality that she changed. Welfare reform did what all of my efforts to persuade her could not do. It compelled her to go out and get a job. She had been on welfare for years and the only thing that interrupted that cycle was welfare reform.

Once again, the issue is not whether we cut or expand our welfare funding. More or less of a bad thing is still a bad thing. The issue is how we can reform our approach so that we can effectively help people to rise from poverty and stop wasting billions of dollars every year on counterproductive programs intended to help the poor.

We should look for models of approaches that work—both in the public and private sector—based on two core principles:

- 1. Stop driving out personal responsibility and good works with government largesse.** It's hurting the people it's supposed to help, and hindering the efforts of those that love them. I couldn't help my niece because welfare programs created a path of least resistance.

We need to continue the work of welfare reform and not live any longer under the illusion that an ever-increasing budget is the answer to poverty.

- 2. Strengthen and support the foundation of civil society.** Not all poverty is caused only by a lack of money. Community groups address these problems at their root. As Colbert King (not typically a conservative spokesperson) recently [wrote](#): The solution for the poor is not funding and integrating more government programs but creating “a civic infrastructure focused on building stronger families: fathers living at home, married to the mothers of their children; parents who see that their kids get to school on time, ready to learn, and who raise their children to respect others and themselves.”

The Center for Neighborhood has a 30-year history of supporting grassroots organizations in low-income communities that have demonstrated their ability to reassert moral authority,

enabling people to get off of drugs and stop their self-destructive behavior. They have established a track record in which hundreds of people's lives and communities have been reclaimed.

Policymakers and philanthropists who truly want to make a difference need to look to these grassroots groups who are making an impact because they understand how incentives work and have the relationships that transform lives and communities.

That's what happened in the Alabama Rural Initiative: In 2002, my organization, The Center for Neighborhood Enterprise (CNE), joined with Senator Jeff Sessions and Household International—now HSBC-North America—in Lowndes County, Alabama. Though that county had been the site of annual civil rights memorial marches, the conditions of the poor there hadn't improved for forty years. In a five-year initiative, we helped Lowndes County improve sanitary conditions, create economic development, provide training in financial literacy and created new housing opportunities.

With unemployment at more than 11%, and most jobs paying little more than minimum wage, there was a great need for economic development in Lowndes. The advent of a \$1 billion Hyundai manufacturing plant just six miles away from the Lowndes border opened the possibility that Lowndes could attract supplier companies to within its borders. CNE facilitated the Comprehensive Economic Development Strategy (CEDS) that was the prerequisite for two tier-one auto suppliers.

And there were ripple effects for families and neighborhoods where fathers had a job. This effort did not involve spending more money for welfare: it made a lasting difference in the lives of the residents of that impoverished county.

From personal experience, I believe that nation's strategy to address poverty must be reformed. I have spent my life working on behalf of low-income people and that meant fighting against well-intended policies that have injured with the helping hand.

I think of the words of Dietrich Bonhoeffer who declared that the greatest enemy to the good is not malice but folly. It is folly when people do things to help people that end up destroying them.