



The Daily Dish

Work, Poverty, and the Trump Budget

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On Wednesday the House voted to roll back a 2009 court decision requiring pesticides to seek two separate approvals from the Environmental Protection Agency (EPA). Rep. Rob Gibbs (R-OH) stated that requiring companies to seek two separate approvals is overly burdensome and unnecessary. The House bill drops the court mandated requirement to gain a Clean Water Act permit in addition to an EPA approval. Pesticides will still need to gain an approval from the EPA before hitting the market.

This week the Senate announced that they plan on leading the charge on President Trump's infrastructure bill. Sen. John Barrasso (R-WY), chair of the Senate Environment and Public Works Committee, said his committee is currently working on an infrastructure bill that is along the lines of what has been promised by the president. Barrasso believes that the Senate bill will garner bipartisan support and hopes it will serve as the basis for the president's plan.

Eakinomics: Work, Poverty, and the Trump Budget

The Trump Administration budget was met with howling protest for its proposed cuts to poverty-related programs: "This is overall an assault on a wide range of ordinary Americans for the purpose of providing tax cuts to the wealthiest," said Olivia Golden executive director of the Center for Law and Social Policy, a nonprofit group focused on low-income Americans. Office of Management and Budget Director Mick Mulvaney defended the proposals. "We're not going to measure our success by how much money we spend, but by how many people we actually help," Mr. Mulvaney said as he outlined the proposal at the White House on Monday before its formal presentation on Tuesday to Congress.

To a great extent, the reception was hurt by the optics of the rollout. The deep cuts appeared to be simply a mechanism for getting the budget to balance in 10 years (i.e., "balancing the budget on the backs of the poor"), raised issues of fairness (why not touch the old-age safety net of Social Security and Medicare rather than focus only on the low-income programs), and the president was not even in the country to defend his approach.

This is too bad, because there is good reason to re-think the basic U.S. strategy toward poverty. The goal should not be to merely make sure that people are not suffering material deprivation; that approach invites "throwing money at the problem." Instead, the goals should be to have as many economically self-sufficient citizens as possible. As nicely documented by AAF's Ben Gitis, there is a growing divergence between those who are self-sufficient and those who are materially deprived. In 2013, 21.2 million fewer people suffered material hardship than the official poverty thresholds indicate, but 16.2 million more people were in "self-sufficient poverty" than were in material hardship — meaning that 16.2 million more people would have been in poverty if they did not receive any government assistance. Public policies have reduced material hardship over the last three decades, but don't seem to have improved families' self-sufficiency rates.

The administration indicates that they understand the need for work as a route to self-sufficiency, looking to move 6 million able-bodied welfare recipients into work. (Keep this in perspective. That is only a 0.04 percent rise in employment.) It would be a beneficial development for this to turn into a bipartisan effort, but the

reception to date makes this appear unlikely.