

*A fresh approach to the causes of poverty and their solutions*

## Breaking the Barriers That Trap People in Poverty

The debate over poverty and welfare in the United States has typically broken along predictable lines: progressive advocates of empathy and compassion in the form of the traditional welfare state versus conservatives who see poverty as the product of individual choices absent any systemic causes. In his new book *The Inclusive Economy: How to Bring Wealth to America's Poor*, Cato senior fellow Michael Tanner seeks to forge a new synthesis. By acknowledging systemic and institutional causes of poverty, he highlights how anti-poverty programs have not only failed to help but have also in many cases made the problem worse.

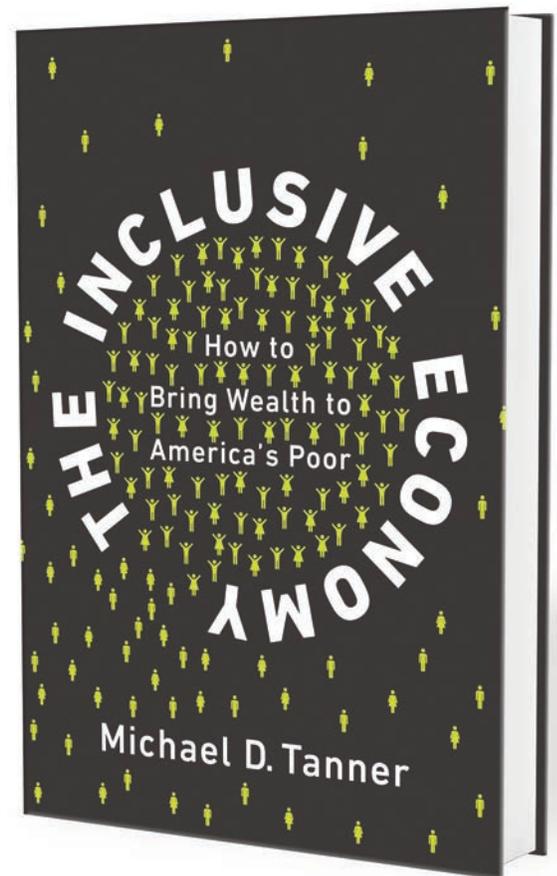
The same anti-poverty strategy has been followed by policymakers in the United States for decades: create more government programs and spend as much money as possible. The result has been little visible improvement in the lives of America's poorest citizens. Instead of curing the disease, government policy based on transfer programs has focused on ameliorating the symptoms, and has largely failed to do even that.

"Over the years, I have come to believe that the issue is not as simple as some of my previous work may have portrayed it," Tanner writes. "To the degree that I have previously portrayed poverty issues as gov-

ernment welfare versus pulling yourself up by your bootstraps, I was wrong. Any successful fight against poverty must deal with deeper issues, including those of race, gender, and class in America." But instead of the usual progressive prescription for ever more spending on failed programs, he explores how bad laws and policies conspire to consign millions of Americans to a life of impoverishment.

Tanner lays out a detailed road map to a better anti-poverty agenda: curtailing the destructive war on drugs, reforming the criminal justice system, overhauling education to give more control and choice to parents, bringing down housing costs, demolishing barriers that keep the poor away from key financial services, and making economic growth more inclusive through efforts like occupational licensing reform.

The answer is not redistribution but rather eliminating the barriers government has erected that keep people trapped in the cycle of poverty. Instead of judging anti-poverty efforts by their intentions, Tanner offers a framework to judge them by their re-



sults, while sharing a genuine compassion for the plight of those left behind by the current system. ■

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