

## George Gilder: *Wealth and Poverty* (1981)

In *Wealth and Poverty*, a book that strongly influenced the Reagan administration, conservative theorist George Gilder argued that it was the immoral and irresponsible behavior of the poor themselves rather than any structural defects in the economy that perpetuated poverty in the United States.

Source: Excerpt from George Gilder, *Wealth and Poverty* (New York: Basic Books, 1981), 68-71. Copyright 1981 by George Gilder. Reprinted by permission of Georges Borchardt, Inc., on behalf of the author.

The only dependable route from poverty is always work, family, and faith. The first principle is that in order to move up, the poor must not only work, they must work harder than the classes above them. Every precious generation of the lower class has made such efforts. But the current poor, white even more than black, are refusing to work hard. Irwin Garfinkel and Robert Haveman, authors of the ingenious and sophisticated study of what they call *Earnings Capacity Utilization Rates*, have calculated... how hard they work outside the home. This study shows that, for several understandable reasons, the current poor work substantially less, for fewer hours and weeks a year, and earn less in proportion to their age, education, and other credentials (even after correcting the figures for unemployment, disability, and presumed discrimination) than either their predecessors in American cities or those now above them on the income scale. (*The study was made at the federally funded Institute for Research on Poverty at the University of Wisconsin and used data from the census and the Michigan longitudinal survey.*) The findings lend important confirmation to the growing body of evidence that work effort is the crucial unmeasured variable in American productivity and income distribution, and that current welfare and other subsidy programs substantially reduce work. The poor choose leisure not because of moral weakness, but they are paid to do so.

A program to lift by transfers and preferences the incomes of less diligent groups is politically divisive — and very unlikely — because it incurs the bitter resistance of the real working class. In addition, such an effort breaks the psychological link between effort and reward, which is crucial to long-run upward mobility. Because effective work consists not in merely fulfilling the requirements of labor contracts, but in “putting out” with alertness and emotional commitment, workers have to understand and feel deeply that what they are given depends on what they give — that they must supply work in order to demand goods. Parents and schools must inculcate this idea in their children both by instruction and example. Nothing is more deadly to achievement than the belief that effort will not be rewarded, that the world is a bleak and discriminatory place in which only the predatory and the specifically preferred can get ahead. Such a view in the home discourages the work effort in school that shapes earnings capacity afterward. As with so many aspects of human performance, work effort begins in family experiences, and its sources can be best explored through an examination of family structure.

Indeed, after work the second principle of upward mobility is the maintenance of monogamous marriage and family. Adjusting for discrimination against women and for child-care responsibilities, the Wisconsin study indicates that married men work between 2 and 1/3 and 4 times harder than married women, and more than twice as hard as female family heads. The work effort of married men increases with their age, credentials, education, job experience, and birth of children, while the work effort of married women steadily declines. Most important in judging the impact of marriage, husbands work 50 percent harder than bachelors of comparable age, education, and skills.

The effect of marriage, thus, is to increase the work effort of men by about half. Since men have higher earnings capacity to

begin with... it is manifest that the maintenance of families is the key factor in reducing poverty.

Once a family is headed by a woman, it is almost impossible for it to greatly raise its income even if the woman is highly educated and trained and she hires day-care or domestic help. Her family responsibilities and distractions tend to prevent her from the kind of all-out commitment that is necessary for the full use of earning power. Few women with children make earning money the top priority in their lives.

A married man, on the other hand, is spurred by the claims of family to channel his otherwise disruptive male aggressions into his performance as a provider for a wife and children. These sexual differences alone... dictate that the first priority of any serious program against poverty is to strengthen the male role in poor families.

These narrow measures of work effort touch on just part of the manifold interplay between family and poverty... The key to lower-class life in contemporary America is that unrelated individuals, as the census calls them, are so numerous and conspicuous that they set the tone for the entire community. Their congregation in ghettos, moreover, magnifies greatly their impact on the black poor, male and female...

The short-sighted outlook of poverty stems largely from the breakdown of family responsibilities among the fathers. The lives of the poor, all too often are governed by the rhythms of tension and release that characterize the sexual experience of young single men. Because female sexuality, as it evolved over the millennia, is psychologically rooted in the bearing and nurturing of children, women have long horizons within their very bodies, glimpses of eternity within their wombs. Civilized society is dependent upon the submission of the short-term sexuality of young men to the extended maternal horizons of young women. This is what happens in monogamous marriage; the man disciplines his sexuality and extends it into the future through the womb of a woman. The woman gives him access to his children, otherwise forever denied him; and he gives her the product of his labor, otherwise dissipated on temporary pleasures... If work effort is the first principle of overcoming poverty, marriage is the prime source of upwardly mobile work.

It is love that changes the short horizons of youth and poverty into the long horizons of marriage and career. When marriages fail, the man often returns to the more primitive rhythms of singleness. On the average, his income drops by one-third and he shows a far higher propensity for drink, drugs, and crime...

The key to the intractable poverty of the hardcore American poor is the dominance of single and separated men in poor communities. Black “unrelated individuals” are not much more likely to be in poverty than the white ones. The problem is neither race nor matriarchy in any meaningful sense. It is familial anarchy among the concentrated poor of the inner city, in which flamboyant and impulsive youths rather than responsible men provide the themes of aspiration. The result is that male sexual rhythms tend to prevail, and boys are brought up without authoritative fathers in the home to instill in them the values of responsible paternity: the discipline and love of children and the dependable performance of the provider role.

### Questions:

1. What did Gilder see as the major causes of poverty? What was his solution to poverty?
2. What was Gilder’s analysis of the roles of women and men? What are the implications of this analysis?
3. Would Gilder’s argument have appealed to President Reagan? Why or why not?