



Government is broken, but there is another way to heal what ails us

July 9, 2013

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Can government solve the problem of poverty in America? It is a question worth asking because partisan politics is eroding the federal government's lead role in developing the social [welfare](#) policies that have defined much of the country's domestic agenda since the 20th century. Witness the collapse of the Farm Bill in the [U.S. House of Representatives](#) last month due to partisan acrimony over its largest spending component, the [Supplemental Nutrition Assistance Program](#), commonly known as food stamps. As a nation, we must evolve from a government-centric safety net just as we moved away from poor houses, orphanages and insane asylums a century ago.

Our government is not the solution. Our divided House and [Senate](#) seem incapable of action except in a dire emergency, and sometimes not even then. The result is a dysfunctional domestic agenda. Lyndon [Johnson](#)'s War on Poverty and [Ronald Reagan](#)'s admonition that "the best social program is a job" formed the basis of domestic policies decades ago that reflected the mood of the country at the time. There is no governing mission statement like these today with which to move the country in a coherent direction.

Paralysis in Washington and the state capitals has consequences in our communities. The long-term viability of the basic entitlement social safety net programs of Social Security, Medicare and Medicaid is under threat, but they are seen as actuarial abstractions likely to be taken up by some new commission whose recommendations will ultimately get ignored. Social programs that fall under the discretionary budget, such as [Head Start](#), child care and substance-abuse programs are now subject to the

sequester, the arbitrary default spending plan that emerged from failed budget negotiations.

As inertia grips the beltway, the rest of the country is splitting into red states and blue states. The number of state capitols dominated by one political party is at historic highs, resulting in uneven implementation of major federal policy initiatives. Maryland embraces the new health care law in its entirety, other states have done all they can to reject it, and some, like Florida, can't make up their minds about whether to take federal money to expand Medicaid.

In between the political left and right, however, is a secret jewel in the free market system. Social enterprises do not rely on government support. Evolving from the corporate philanthropy of Andrew Carnegie and the creation of [Goodwill Industries](#) in the 1890s, social enterprises today include organizations like Poverty Cure, an international network of organizations fighting global poverty. They advocate putting the person at the center of our economic thinking and promoting their potential for success.

Social enterprises are attracting world attention as economies in Europe face systemic challenges more difficult than our own. British [Prime Minister David Cameron](#), addressing a conference of social entrepreneurs in June, described social enterprises as a solution to "problems that have frustrated government after government, country after country, generation after generation. Issues like drug abuse, youth unemployment, homelessness and even global poverty."

Closer to home, social enterprises are transforming communities in Main Street America. No law or government program can match the dedication of committed members of a community. I am the CEO of an organization that started as a homeless shelter. Years later, we realized the permanent value we can provide to our community was not temporarily housing people, but providing work in our catering and thrift-store operations.

Baltimore-based Second Chance, Inc. creates "green collar" jobs by taking apart buildings that would otherwise be demolished and dumped in a landfill. The organization then offers the reclaimed materials to the public at a discount, helping fund job training and workforce development programs. Salvaged items available for sale range from rolls of chain link fence to marble fireplace mantels.

Instead of waiting on a top-down solution that may never come, the social enterprise model is a community-driven approach that turns profits, attracts investors and solves social problems. The next evolution in combating poverty is not an uncertain leap with a massive new government program, but a series of deliberate steps in communities throughout our country.

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