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THE DATA PARADOX: HOW THE WAR ON POVERTY BECAME A WAR ON THE POOR

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Introduction

One of the main functions of government is to provide certain benefits (cash, goods, or services) to the people who need them. We call this 'the welfare state'. Some needs are universal (clean running water, national security) while others only apply to certain categories of people (only children go to public schools; only homeowners get homeowner tax credits). The state collects data on people in order to know what categories they fall in, and consequently what kinds of benefits they should receive. At times it may collect additional data to learn how well a program is working and how it might be improved. Ideally, the point of this surveillance is to direct resources to the right places to maximize human wellbeing and minimize waste. Unfortunately, it doesn't always work that way. The system of poverty relief ('welfare') in the United States exemplifies how surveillance systems can reinforce social structures of oppression by measuring what elites care about (welfare fraud) and ignoring the things that common sense and human decency might emphasize (alleviating poverty).

The Surveillance Society

We are now living in a pervasive surveillance society, and most of us either don't know it or don't care. There are at least three interlinked yet distinct 'surveillant assemblages': the remnants of the welfare state, the national security state, and surveillance capitalism. While some people are uncomfortable with any data being collected about them at all, others argue that some degree of surveillance is necessary for governments and businesses to function. States need to know how many children live in a given city to ensure there are enough teachers, and law enforcement agencies have a legitimate interest in (for example) lawfully wiretapping suspected criminals in order to prosecute them. Meanwhile, businesses can often provide better service when they know who their customers are, what they want, and how much they are willing to pay for it.

There are a lot of good reasons to resent and resist surveillance. One of those reasons is that surveillance systems are designed with particular goals in mind that aren't necessarily clear to the people being surveilled, that they may not share, and that may not be to their benefit. Once the system is in place it takes on a life of its own, ruthlessly replicating its own logic even if that logic defies common sense. In this essay, I use the example of poverty relief programs in the United States, also known as 'welfare', to show how a mass surveillance system built on faulty premises — key among them, the notion that preventing fraud is more important than ending poverty — actually perpetuates poverty and prevents itself from learning how to end it. Even as the system relentlessly seeks out every scrap of information about the poor to verify their deservingness, it deliberately fails to provide data that would help administer programs more effectively. This is a stunning paradox: a system whose guiding principle is the collection of information yields virtually no data that could meaningfully inform public policy.

What I Mean by 'Surveillance'

By surveillance, I mean the routinized collection of data and monitoring of populations in their daily lives and routines through the use of networked databases — what Roger Clarke calls 'dataveillance'.[1] Many individual data collection events — a web search, a car rental, a fingerprint — are fairly trivial on their own. When people say they have 'nothing to hide', what they often mean is that they can't imagine the mundane data points of their daily lives being interesting to someone else. And that's often true of individual data points taken in isolation. They acquire their value when billions of them are combined in vast networked databases. Data sitting quietly in vast repositories isn't the main issue either. It's what people do with the data that matters. Big data analytics, data science and data mining all refer to the complex operations of discovery that allow surveillant organizations to piece together disparate pieces of information in order to generate insight and act on it. That action can take many forms: to grant a government benefit, to order a drone strike against a suspected terrorist target, or to display a 'more relevant' piece of advertising.

Government surveillance conducted for law enforcement, intelligence or national security reasons has gotten a lot of attention since Edward Snowden's 2013 revelations about US government surveillance of the internet. As the Snowden documents showed, this surveillance often piggybacks on corporate data collection through covert programs like PRISM, overt law enforcement requests for user information, and brazen demands for access to certain travelers' social media accounts. Unconstitutional government programs should be resisted on their own merits, yet it is important to remember that government agencies' appetite for unlimited data access is enabled by the private sector.

Indeed, the past quarter-century has seen the emergence and growth of surveillance capitalism, 'a deeply intentional and highly consequential new logic of accumulation' built on 'big data', which 'aims to predict and modify human behavior as a means to produce revenue and market control'.[2] Google was among the first major companies to monetize internet users' data, and before long, advertising became the default business model for new technology companies.[3] Surveillance capitalism has consequences for social institutions, and even for democracy itself. Claims of voter manipulation perpetrated by private and/or foreign interests during the 2016 'Brexit' vote and US presidential election via social media platforms have spurred renewed interest in the power of internet giants like Facebook, Google and Twitter.

The third type of routinized mass surveillance involves government agencies outside of the national security sphere, notably the ones tasked with providing social welfare — what I call 'governance surveillance'. At its best, governance surveillance aims to be

1 Roger A. Clarke, 'Information Technology and Dataveillance', *Communications of the ACM* 31 (1988): 498–511.

2 Shoshana Zuboff, 'Big Other: Surveillance Capitalism and the Prospects of an Information Civilization', *Journal of Information Technology* 30 (2015): 75–89.

3 Zuboff, 'Big Other', p. 77.

responsive to the needs of the population, and public servants put safeguards in place to protect citizens from privacy violations and human rights harms. Population registries and identification systems in both rich and developing countries are the cornerstone of this 'surveillant assemblage'. Beyond that, the types of data that is collected and the uses of that data are highly context-specific. Some countries consider certain types of information too dangerous to be collected at all. For example, after population registries containing information about religious affiliation were used to murder over 6 million Jews during World War II, a number of European countries banned the collection of data about religion, race or ethnicity. This raises challenges for monitoring various kinds of disparities between ethnic groups, and is powerless to prevent many forms of discrimination, but the experience of the Holocaust taught many Europeans that the risks of collecting this data outweighed the potential benefits.

As societies become more connected, it becomes more and more rare for people to take even mundane actions without leaving a digital trace of that activity. Most of this activity is recorded in some database, somewhere. The 'digital exhaust' produced by the everyday activities of millions of internet users is mined by internet companies, whose databases are in turn targeted by national governments eager to use this data for their own purposes, using both legal and extralegal means.[4] Companies outside of the internet sector are also amassing data on users, customers, and other humans, and leveraging this data for financial profit. The data brokerage system is so complex and so opaque, it is impossible to know for certain what the cybernetic machine of the surveillance society knows about any of us.[5]

Together, the parallel logics of governance surveillance, national security surveillance, and surveillance capitalism point to a near-future where all human activity is recorded and monitored, and where people are sorted into categories based on what the databases know about them. People then receive differential treatment based on their assigned categories, such as extra screening at airports, public subsidies, and targeted advertising. This is what French philosopher Gilles Deleuze called the 'control society',[6] and what Kevin Haggerty and Richard Ericson[7] call the 'surveillant assemblage': an 'only partially coordinated coming together of many and varied contemporary practices and processes that record, monitor, locate, track, observe and, yes, identify individuals so that they can be profiled and their personal data can be mined for further analysis'.[8]

In this context, the use of the term 'surveillance' isn't necessarily a moral judgment. The word can have positive, negative, or neutral connotations depending on the context. For example, public health surveillance (as understood by epidemiologists, for instance) is decidedly beneficial, while wiretapping leaders of an opposition political

4 Glenn Greenwald, *No Place to Hide: Edward Snowden, the NSA, and the US Surveillance State,* New York, NY: Henry Holt and Co, 2014.
5 Norbert Wiener, *The Human Use of Human Beings: Cybernetics and Society*, New York, N.Y: Da Capo Press, 1988.
6 Gilles Deleuze, 'Postscript on the Societies of Control', *October* (Winter 1992): 3–7.
7 Richard V. Ericson and Kevin D. Haggerty (eds), *The New Politics of Surveillance and Visibility*, Toronto: University of Toronto Press, 2006.
8 David Lyon, *Identifying Citizens: ID Cards as Surveillance*, Cambridge, UK and Malden, MA: Polity, 2009, p. 55.

party is more negative. A surveillance camera in a parking garage can be used for good (preventing or solving crimes) or for bad (surreptitiously recording the comings and goings of one's spouse). Indeed, many kinds of surveillance and 'dataveillance' are requirements for modern societies to function. In many cases the phrase 'monitoring and evaluation' is an accurate stand-in for 'surveillance'. The people who run both public and private programs or projects use data to check whether they are meeting their goals, or to look for ways to make programs more efficient. Few people would disagree with this strategy in principle. The problem emerges when people in positions of power decide to measure the things that are important to them — and nothing else. The American social welfare system provides a poignant — if dispiriting — example of what happens when a system measures what elites care about (in this case, welfare fraud) and ignores the things that common sense and human decency might emphasize (in this case, alleviating poverty).

Surveilling the Poor: The US Welfare State

It's important to understand that the history of US social welfare diverges from the history of comparable programs in other rich countries. While European countries began providing state-run and tax-funded social safety nets and labor protections starting in the late 19th century, in the US the prevailing view of the elites was that assistance to the needy would only encourage idleness and other undesirable behavior, and that social Darwinism would ensure that only the individuals with the best work ethic and moral character would prosper and reproduce. Franklin Delanoe Roosevelt's New Deal, in the wake of the Great Depression, represented a departure from the past through programs such as the Works Progress Administration, later renamed the Works Projects Administration (WPA), which created employment through great work projects; Social Security, a retirement program for old age and the disabled; and many other poverty-relief programs collectively referred to as 'welfare'.[9]

In addition to Social Security, intended to care for those relatively few (compared to today) individuals who made it to old age, New Deal welfare programs were designed to replace the earnings of an absent, deceased or otherwise incapacitated father figure, thereby allowing mothers to continue in their roles as homemakers and primary caregivers for their children. It is important to note that women of color were largely excluded from receiving benefits through both structural and individual-level racism on the part of program administrators.[10]

Decades later, Lyndon Johnson's Great Society, which included both the War on Poverty and civil rights legislation, went a long way toward easing the structural barriers preventing poor blacks from receiving aid as well as institutionalizing the welfare system. The welfare assistance program was further expanded in the 60s as part of Lyndon Johnson's Great Society initiative, intended to eradicate poverty and correct structural racial injustice. The War on Poverty was thus intertwined with government efforts to enact the demands of the civil rights movement. By the end of the Johnson Administration, the US appeared to be on its way to easing, if not eradicating, poverty.[11]

9 Brendon O'Connor, *A Political History of the American Welfare System: When Ideas Have Consequences*, Lanham, Md: Rowman & Littlefield, 2003.

10 Ibid.

11 Ibid.

However, as black Americans fought to access welfare programs,[12] public perception of the average welfare recipient shifted from the virtuous white widow heroically raising her children alone to the lazy, promiscuous, deviant (and wholly imaginary) black 'welfare queen' mythologized by Ronald Reagan.[13] In the context of the Republican Party's Nixon-era Southern Strategy, conservative attacks on poverty relief programs are to be understood as part of the ideology of white supremacy.

The 70s, 80s and early 90s saw two broad social changes that would prove crucial to the welfare system: changes to the family structure and demographic composition of welfare rolls, and technological advances in information management.[14] Divorce and single parenthood became more prevalent, some of the structural barriers preventing poor people of color from accessing aid were dismantled, and the availability of birth control made single motherhood seem more and more like a choice, and less like an unavoidable tragedy. As a result, the American public (and legislators) became less willing to provide support to the poor, and especially to poor, black, single mothers who were increasingly stigmatized as lazy, promiscuous and undeserving. The 'welfare queen' rhetoric espoused by Reagan and others also contributed to increased prejudice and stigmatization of poor Americans.[15]

At the same time, networked databases made it possible to classify and surveil large populations, and to do so across administrative boundaries of city, county and state human services offices. The combination of increased motivation to reduce welfare spending and increased technical ability to monitor welfare recipients could only lead to increased surveillance. In the run-up to the 1996 election, Bill Clinton made a deal with the Gingrich Republicans to 'end welfare as we know it'. The War on Poverty gave way to a war on the poor.

The 1996 welfare reform bill, formally (and tellingly) titled the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA), was more concerned with sending a message to the poor (especially women of color) about personal morality than about designing evidence-based interventions to provide Americans with a basic minimum standard of living, much less durably lifting families out of poverty. As Brendon O'Connor notes, 'the preamble to the PRWORA openly describes it as being principally concerned with overcoming the problems caused by out-of-wedlock births and welfare dependency. Further, the act claims that its purpose is to strengthen marriage, personal responsibility, and the work ethic'.[16] Actually reducing poverty is nowhere on the agenda; the guiding principle is not meeting the basic needs of poor Americans, but fraud prevention.[17]

The Clinton welfare reform was based on the premise that nearly all parents should work outside the home to support their children, even if the wages they could com-

12 Frances Fox Piven and Richard A. Cloward. *Poor People's Movements: Why they Succeed, How they Fail*. Vintage, 1979.

13 Ibid.

14 John Gilliom, *Overseers of the Poor: Surveillance, Resistance, and the Limits of Privacy*, Chicago: University of Chicago Press, 2001.

15 Kaaryn S. Gustafson, *Cheating Welfare: Public Assistance and the Criminalization of Poverty*, New York, NY: New York University Press, 2011.

16 O'Connor, *A Political History of the American Welfare System.*

17 Gustafson, *Cheating Welfare*.

mand in the labor market were less than the cost of childcare. By the 90s, women's participation in the workforce was already well-entrenched, and that the idea that welfare ought to provide an income to poor, husbandless mothers, so that they might stay at home raising their children, was no longer acceptable to the American public. For many, the difficulties of raising children alone while working outside the home were simply the natural consequence of the 'irresponsible choice' to have children without a husband's practical and financial support. As we will see, restricting poor women's options with respect to their sexual and reproductive lives — arguably the most personal, private realms of human existence — is a feature, not a bug, of the American welfare system.

As a result, the welfare system's priority isn't relieving poverty, but making sure that no one who could be working receives public assistance — regardless of whether they are in school or caring for small children. The system prioritizes short-term self-sufficiency over giving people the tools to lift themselves out of poverty in the long run. Benefit levels are woefully inadequate,[18] and families must resort to alternative sources of income to make ends meet. The result is both endemic fraud and widespread underutilization of benefits to which individuals and families are legally entitled.[19]

The 1996 Act set time limits on how long individuals could receive benefits, imposed work requirements, and drastically tightened eligibility rules. The federally-run Assistance for Families with Dependent Children (AFDC) was replaced by Temporary Assistance for Needy Families (TANF), which is implemented by the states. Under PRWORA the states are given clear incentives from the federal government to get as many of their welfare population working as possible. States are also free to impose even tighter eligibility rules and shorter time limits than those envisioned by the PRWORA.[20]

The Act also empowered state governments to delve into women's personal and sexual lives by requiring single mothers to identify the biological fathers of their offspring and by capping TANF payments to families, meaning that 'recipients do not receive any further money if they have more children while on the TANF program'. These 'family size caps' are meant to dissuade women from having additional children while on welfare by barring newly born children from being included in benefit calculations. The implication is that the only 'legitimate' children are those born to a married mother and father, and that, by definition, the child of a mother on welfare

18 Any good faith discussion of welfare fraud must begin by acknowledging the inadequacy of benefits. To use California as an example, as of 2011, the minimum basic standard of adequate care, as determined by the federal government, for a family of three was $1,135 per month. The Maximum Income for Initial Eligibility for a Family of Three was $1,224, meaning that families earning more than that amount are ineligible for aid. Families needed to already be significantly below the poverty line before they could even apply for aid. The asset limit was $2,000 ($3,000 for households including an elderly person), plus one automobile per licensed driver — requiring families to have sold off virtually all their assets. The Maximum Monthly Benefit for a Family of Three with No Income was $638 (non-exempt) or $714 (exempt) — slightly more than half of what the government considers necessary for survival. By contrast, the MIT Living Wage Calculator project estimates that such a family needs $54,764 per year, or $4,564 per month, to make ends meet in California. See Amy K. Glasmeier and Eric Schulteis. 'Poverty in America: Living Wage Calculator (California)', *MIT*, 2015, http://livingwage.mit.edu/states/06.

19 Gustafson, *Cheating Welfare*.

20 O'Connor, *A Political History of the American Welfare System*.

is not 'legitimate'. During the PRWORA negotiations, 'much of the debate cast 'illegitimacy' as America's most pressing social problem, and quickly blamed 'welfare' as its root cause'.[21]

While the Act's authors preferred co-parents to be married to each other, in the absence of marriage they were determined to more strictly enforce child support requirements. The implementation of a national computer tracking system made it easier to locate non-resident parents across state lines and garnish their wages. Mothers who can't or won't identify their children's biological father risk losing their TANF eligibility. Money recouped from so-called 'dead-beat dads' goes not to the children or their mother, but to the state as a reimbursement for the cost of support that the father should have been providing in the first place, with the exception of a $50 pass-through. Mothers thus have every economic incentive to resist identifying their children's father.[22]

States also 'have the discretion to deny benefits to unmarried teenage mothers', 'can mandate teenage mothers attend school', and 'require unwed minors to live with a parent or guardian' to receive aid[23] — regardless of whether that is in the best interest of the young mother or her child. Meanwhile, 'the act required the federal government to spend $50 million per year on a new abstinence education program in American schools'[24] and provided 'financial rewards to states that reduce the number of out-of-wedlock births as long as there is not a corresponding increase in the number of abortions performed in that state'.[25] Yet for all the emphasis on preventing child-bearing by unmarried poor women, PRWORA did nothing to promote use or affordability of methods of birth control other than sexual abstinence. The real problem that PRWORA sought to eradicate wasn't child poverty or even fatherlessness, but sexual activity by poor women (and especially poor women of color) outside the bounds of holy matrimony.

The Data That isn't Collected

Welfare offices at every level of government spend exorbitant sums cross-referencing databases, following up on tips from welfare fraud hotlines, drug-testing, physically surveilling, and legally prosecuting the poor, ostensibly to save the taxpayer money by cutting off welfare frauds and cheaters. Yet there is next to no effort to measure how good these welfare programs are at actually relieving poverty.

The decentralized structure of welfare administration since 1996 makes it all but impossible to come by nationally comparable datasets on the welfare population or benefit levels (or how much fraud prevention and eligibility enforcement costs). Because welfare programs are administered by the states on a county-by-county basis, the federal government has little to no authority to oversee or critically assess the adequacy of benefit levels, bureaucratic processes, or the return on investment in terms of assuring a decent quality of life for the poorest among us, much less helping people durably lift themselves out of poverty. For example, the statistics maintained by the Department of Health and Human Services (HHS) measure expenditures and the number of beneficia-

21 Ibid.
22 Ibid.
23. Ibid., p. 230.
24. Ibid., p. 231.
25 Ibid.

ries; no effort is made to account for how well welfare programs meet recipients' basic needs, or how well the programs are administered. In fact, states measure the success of their welfare programs by the number of needy Americans they can remove from the welfare rolls, regardless of what happens to these families afterward. Many simply lose eligibility and stop receiving aid.

The official statistics on welfare and poverty measure the wrong things in the wrong way, thereby creating non-factual 'knowledge' that hides genuine problems (hunger, poverty) while surfacing imaginary ones (illegitimacy, drug abuse, fraud, etc.). Rather than measuring the prevalence of poverty and its human costs, federal statistics focus on the administration of the programs. For example, the Tenth TANF Annual Report to Congress noted that in 2011, the Federal poverty threshold for a family of four (two adults plus two children) was $22,811, that 21.9% of children were living in poverty that year (16.1 million), and that the child poverty rate in 2011 was 5.7 percentage points higher than in 2000. However, the report does not mention whether TANF (or other welfare programs) was successful in reducing the number of American children (much less adults) living in poverty, or the percentage of need that is met. Even the report's authors seem to be aware of the limitations of their data, noting that only a minority of poor families actually received the aid to which they were entitled:

> Participation of Eligible Families
>
> While many see TANF's caseload decline as a measure of the success of welfare reform, the sharp decline in participation among eligible families also raises concerns about its effectiveness as a safety net program. HHS uses an Urban Institute model to estimate the percentage of families eligible for assistance under state rules that are actually receiving TANF assistance.
>
> As shown in Figure 2-E, and Appendix Table 2:3, this participation rate data shows that the share of eligible families receiving TANF declined from 84 percent in 1995 to 32 percent in 2009.[26]

From these figures, it should be possible to compare benefits awarded against the need they are intended to ameliorate, yet this is not done. The closest that the report comes is Figure 9B, 'Income Poverty Gap for All Families with Children 1997–2011'. The poverty gap refers to the amount of money that would be required to raise all poor families to the poverty line. However, the figures are only provided with respect to families with children — demonstrating a lack of concern for adults living in poverty — and are not broken down by state or by any other category. The figures convey the fact that in 2011, it would have cost $76.5 billion to raise all American children out of poverty, but stops short of providing any information that would help achieve this.

The example of federal statistics concerning TANF illustrates the broader reality that assessments of welfare programs emphasize inputs such as expenditures, ignoring pro-

26 'Temporary Assistance for Needy Families Program (TANF): Tenth Report to Congress', *US Department of Health and Human Services,* 12 December 2013, http://www.acf.hhs.gov/programs/ofa/resource/tenth-report-to-congress.

gram outputs and other measures of human wellbeing. From a public administration perspective this makes sense: the Department of Health and Human Services is legally mandated to collect and report these statistics. The question remains why it does not *also* provide measures of human wellbeing. Moreover, the fact that a practice is legally mandated provides an explanation for why it exists, but does not constitute a moral or ethical justification. As with many other situations (legal protections for whistleblowers come to mind), the United States and post-modern societies more broadly lack a mechanism for reconciling the gap between what is legal and what is ethically or morally just.

The information that is most crucially lacking in the current data flows concerning welfare fall under three categories: the extent of need, how much of that need is met by the social safety net, and cost/benefit analyses of fraud prevention. The fact that so many members of the wealthiest society in human history are needy is reprehensible, and welfare programs ought to be evaluated by their success in meeting that need. Granular datasets and tables that examine these two types of measures by state, county, and various demographic dimensions would shed light on outcome disparities between different groups, thus allowing for targeted remedies. Finally, the effectiveness of fraud-prevention schemes should be methodically assessed. Schemes that cost more than the amount saved should be eliminated, and the funding reinvested into benefit payments. For example, in 2009 the California State Auditor found that 'the measurable savings resulting from early fraud detection activities exceed the costs of such efforts for CalWORKs and approach cost neutrality for the food stamp program'.[27] By this logic, then, early fraud detection was a valuable investment for CalWORKS, but not for food stamps. More state and local level auditors and Inspectors General should pursue this kind of analysis and pressure the agencies that administer welfare programs to do the same.

Conclusion

This brief case study on the American welfare system has demonstrated how a cybernetic surveillance system can perpetuate existing social inequality by measuring the wrong things in the wrong way, thereby creating non-factual 'knowledge' that hides genuine problems (hunger, poverty) while surfacing imaginary ones (illegitimacy, drug abuse, fraud, etc.).

Surveillance of welfare recipients is overwhelmingly concerned with the sexual and reproductive lives of poor women, as reflected by practices such as bed checks, family size caps, and home visits designed to catch women living with an unrelated male. Additionally, poor women — and increasingly, working class women — are denied access to birth control, then shamed and punished for becoming pregnant. As abortion care becomes increasingly restricted, the message sent to poor women is a simple choice: marriage or abstinence. Meanwhile, poor men are largely excluded from receiving aid since most welfare programs are designed to support children (and by association their caregivers, albeit begrudgingly). The main mechanism through which poor men are expected to interact with the welfare system is through child support collections.

27 Elain M. Howle, 'Department of Social Services: For the CalWORKs and Food Stamp Programs, It Lacks Assessments of Cost-Effectiveness and Misses Opportunities to Improve Counties' Antifraud Efforts', *California State Auditor,* November 2009, https://www.bsa.ca.gov/pdfs/reports/2009-101.pdf.

Paradoxically, the reality is that welfare fraud is indeed endemic (both because benefits are inadequate and because compliance with the Kafkaesque welfare rules is nearly impossible), but so is underutilization of benefits to which individuals and families are legally entitled.[28] The guiding principle of the welfare system, and of the Temporary Aid to Needy Families (TANF) program in particular, is not ensuring that people's basic needs are met but preventing fraud through labyrinthine means tests and reporting requirements.[29] States measure the success of their welfare programs by the number of needy Americans they can remove from the welfare rolls, regardless of what happens to these families afterward. A large body of social science research suggests that the guiding logic of the US welfare system is not the actual wellbeing of poor families, but punishing the poor *for being poor* and setting them up as cautionary examples to discourage others from being poor as well.[30]

American welfare policy is plagued by the inaccurate beliefs that many Americans hold about people who receive public assistance. Popular opposition to welfare is deeply rooted in the historical legacy of racism.[31] Indeed, opposition to the social safety net is connected to the (inaccurate) belief that welfare recipients are overwhelmingly black.[32]

In turn, correcting these misperceptions is hindered by the information and data flows concerning welfare and its beneficiaries. Even as the system relentlessly seeks out every scrap of information about the poor to verify their deservingness, it deliberately fails to provide systemic data that would help administer programs more effectively. This is a stunning paradox: a system whose guiding principle is the collection of information yields virtually no data that could meaningfully inform public policy.

The administration of welfare in the United States is a vicious cycle that must be broken. Only when the state, and the bureaucrats who comprise it, start measuring success by human impact factors rather than economic measures of thrift will meaningful policy change be possible. In light of the political situation in the US, civil society should lead the way by producing these datasets to the extent possible, perhaps by focusing on a specific state or local jurisdiction, then confronting relevant public sector actors about the relative inadequacy of their own data. Legislative and regulatory changes will be necessary as well. Once county, state, and federal agencies start evaluating welfare

28 Gustafson, *Cheating Welfare*.

29 Ibid.

30 Elizabeth Bussiere, *(Dis)entitling the Poor: The Warren Court, Welfare Rights, and the American Political Tradition,* University Park, PA: Pennsylvania State University Press, 1997; Virginia Eubanks, *Digital Dead End: Fighting for Social Justice in the Information Age*. Cambridge, MA and London: MIT Press, 2012; John Gilliom, *Overseers of the Poor: Surveillance, Resistance, and the Limits of Privacy*, Chicago: University of Chicago Press, 2001; Gustafson, *Cheating Welfare*; O'Connor, *A Political History of the American Welfare System*; Piven and Cloward, *Regulating the Poor;* Karen Seccombe, *'So You Think I Drive a Cadillac?' Welfare Recipients' Perspectives on the System and Its Reform*, 3rd edition, Boston, MA: Allyn & Bacon, 2011; Joe Soss, *Unwanted Claims: The Politics of Participation in the US Welfare System*, Ann Arbor: University of Michigan Press, 2002.

31. Linda Gordon, *Pitied but Not Entitled: Single Mothers and the History of Welfare*, Cambridge, MA: Harvard University Press, 1994; Jill Quadagno, *The Color of Welfare: How Racism Undermined the War on Poverty*, Oxford: Oxford University Press, 1994.

32. Martin Gilens, *Why Americans Hate Welfare: Race, Media, and the Politics of Antipoverty Policy*, Chicago, IL: University of Chicago Press, 1999.

programs not on the basis of how little they cost and how few people receive support, but according to human needs being met and families becoming economically self-sufficient in the long term, we can start building a cybernetic surveillance machine that can perpetuate a virtuous cycle of data collection, action, and adjustment.

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MONEYLAB

READER 2

OVERCOMING THE HYPE

EDITED BY **INTE GLOERICH, GEERT LOVINK, PATRICIA DE VRIES**
INC READER #11

MoneyLab is a network of artists, activists, and geeks experimenting with forms of financial democratization. Entering the 10th year of the global financial crisis, it still remains a difficult yet crucial task to distinguish old wine from its fancy new bottles. The MoneyLab network questions persistent beliefs, from Calvinist austerity, growth, and up-scaling, to trustless, automated decision making and (anarcho-)capitalist dreams of cybercurrencies and blockchained solutionism.

We consider experiments with digital coops, internet-based payment and network-based revenue models as spaces of political imagination, with an equally important aesthetic program. In this second MoneyLab Reader the network delves into topics like the financialization of art; love as a binary proposition on the blockchain; the crowdfunding of livelihood; the cashless society; financial surveillance of the poor; universal basic income as the real McCoy or a real sham; the cooperative answer to Airbnb and Uber; the history of your financial dashboard; and, Hollywood's narration of the financial crisis. Fintech rushes through our veins, causing a whirlwind of critical concepts, ideas and imaginaries. Welcome to the eye of the storm.

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