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Joe Manchin and Child Poverty

The latest attack on the Senator is among the most dishonest.

By [The Editorial Board](#) [Follow](#)

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Sen. Joe Manchin, D-W.Va., on Dec. 13.

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Democrats are in recrimination mode after the implosion of their multi-trillion-dollar spending bill, and one dishonest narrative is that West Virginia Sen. Joe Manchin is callous about child poverty. For months Mr. Manchin and these columns raised substantive concerns about monthly cash payments for families that Democrats have never bothered to address.

“Maybe Senator Manchin can explain to the millions of children who have been lifted out of poverty, in part due to the Child Tax Credit, why he wants to end a program that is helping achieve this milestone—we cannot,” the White House said. To paraphrase a line from the left’s favorite TV show about politics, “The West Wing”: This is not exactly a page out of Dale Carnegie.

The child allowance—it’s now more grant than tax credit—this year offers \$3,600

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for children under age 6 and \$3,000 for older children. Some of it is paid in monthly checks, including to parents who owe no income tax. Build Back Better would have extended the extra cash for another year, but now the tax credit is set to revert to the old norm of a still generous \$2,000 a child.

The larger allowance's effect on poverty has been overstated because the benefit as structured crushes the incentive to work. Traditionally someone needed \$2,500 in income to claim the child credit, which became more generous as a person earned more to encourage advancement. This is an extremely modest amount of income, and Democrats torpedoed this threshold for the sole purpose of sending large checks to people who don't work.

University of Chicago economists earlier this year estimated that 1.5 million parents would leave the labor force as a result of the expansion. "The decline in employment and the consequent earnings loss would mean that child poverty would only fall by 22% and deep child poverty would not fall at all," the authors wrote.

Mr. Manchin also had the audacity to wonder whether parents who earn \$400,000 need government child benefits. The turbocharged credit starts to phase out at about \$150,000 for married filers, but a \$2,000 benefit would remain available even to high earners.

That's because zeroing out the credit at lower incomes would violate President Biden's pledge not to raise taxes on anyone earning less than \$400,000. The Biden crowd claims to be worried about child poverty but gives little thought to the incentive implications. Their real political goal is hooking more families on income transfers from government, no matter the consequences.

Mr. Manchin also dared to point out that progressives buried the costs of their expanded credit by extending the benefit for only one year. This deception lets the

Congressional Budget Office score the cost at \$185 billion over 10 years, which lets progressives use budget reconciliation and pass it with only 51 Senate votes. But Democrats say explicitly that their plan is to extend the allowance every year. CBO says the 10-year extension would cost about \$1.6 trillion.

Press headlines are warning about families on the brink of penury if the monthly payments aren't extended, but the vast federal and state social safety net—food stamps, Medicaid, housing subsidies, school lunches, Head Start, child-care assistance, and much more—won't cease to exist on Jan. 1. Weren't these programs supposed to eliminate child poverty?

Democrats want everyone to forget that some of the biggest recent reductions in child poverty occurred amid the healthy growth of the Trump years before the pandemic. The Pew Research Center in November 2020 reported that the share of American children in poverty reached a record low in the months before the pandemic.

Child poverty dropped to 14% of children under age 18 in 2019, down from 22% in 2010 not long after the Great Recession. In nine years child poverty fell by nearly one-third among blacks and 40% among Hispanics. The eternal truth is that faster economic growth that creates jobs and raises incomes is by far the best anti-poverty program.

Democrats tried to rush Build Back Better into law without policy debate or compromise. The left thought it could do so by beating “the living crap” out of Mr. Manchin, as he put it in a recent interview. He has no reason to apologize for asking that a bill to transform America be subject to regular Congressional order.

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