On Jan. 8, 1964, President Lyndon B. Johnson used his State of the Union address to announce an ambitious government undertaking. "This administration today, here and now," he thundered, "declares unconditional war on poverty in America."

Fifty years later, we're losing that war. Fifteen percent of Americans still live in poverty, according to the official census poverty report for 2012, unchanged since the mid-1960s. Liberals argue that we aren't spending enough money on poverty-fighting programs, but that's not the problem. In reality, we're losing the war on poverty because we have forgotten the original goal, as LBJ stated it half a century ago: "to give our fellow citizens a fair chance to develop their own capacities."

The federal government currently runs more than 80 means-tested welfare programs that provide cash, food, housing, medical care and targeted social services to poor and low-income Americans. Government spent $916 billion on these programs in 2012 alone, and roughly 100 million Americans received aid from at least one of them, at an average cost of $9,000 per recipient. (That figure doesn't include Social Security or Medicare benefits.) Federal and state welfare spending, adjusted for inflation, is 16 times greater than it was in 1964. If converted to cash, current means-tested spending is five times the amount needed to eliminate all official poverty in the U.S.

LBJ promised that the war on poverty would be an "investment" that would "return its cost manifold to the entire economy." But the country has invested $20.7 trillion in 2011 dollars over the past 50 years. What does America have to show for its investment? Apparently, almost nothing: The official poverty rate persists with little improvement.

That is in part because the government's poverty figures are misleading. Census defines a family as poor based on income level but doesn't count welfare benefits as a form of income. Thus, government means-tested spending can grow infinitely while the poverty rate remains stagnant.

Not even government, though, can spend $9,000 per recipient a year and have no impact on living standards. And it shows: Current poverty has little resemblance to poverty 50 years ago. According to a variety of government sources, including census data and surveys by federal agencies, the typical American living below the poverty level in 2013 lives in a house or apartment that is in good repair, equipped with air conditioning and cable TV. His home is larger than the home of the average nonpoor French, German or English man. He has a car, multiple color TVs and a DVD player. More than half the poor have computers and a third have wide, flat-screen TVs. The overwhelming majority of poor Americans are not undernourished and did not suffer from hunger for even one day of the previous year.

Do higher living standards for the poor mean that the war on poverty has succeeded? No. To judge the effort, consider LBJ's original aim. He sought to give poor Americans "opportunity not doles," planning to shrink welfare dependence not expand it. In his vision, the war on poverty would strengthen poor Americans' capacity to support themselves, transforming "taxeaters" into "taxpayers." It would attack not just the symptoms of poverty but, more important, remove the causes.
By that standard, the war on poverty has been a catastrophe. The root "causes" of poverty have not shrunk but expanded as family structure disintegrated and labor-force participation among men dropped. A large segment of the population is now less capable of self-sufficiency than when the war on poverty began. The collapse of marriage in low-income communities has played a substantial role in the declining capacity for self-support. In 1963, 6% of American children were born out of wedlock. Today the number stands at 41%. As benefits swelled, welfare increasingly served as a substitute for a bread-winning husband in the home.

According to the Heritage Foundation's analysis, children raised in the growing number of single-parent homes are four times more likely to be living in poverty than children reared by married parents of the same education level. Children who grow up without a father in the home are also more likely to suffer from a broad array of social and behavioral problems. The consequences continue into adulthood: Children raised by single parents are three times more likely to end up in jail and 50% more likely to be poor as adults.

A lack of parental work poses another major problem. Even in good economic times, a parent in the average poor family works just 800 hours a year, roughly 16 hours weekly, according to census data. Low levels of work mean lower earnings and higher levels of dependence.

So how might we restore LBJ's original mission in the war on poverty? First, as the economy improves, the government should require able-bodied, non-elderly adult recipients in federal welfare programs to work or prepare for work as a condition of receiving benefits. We should also reduce the antimarriage incentives rife within welfare programs. For instance, current programs sharply cut benefits if a mother marries a working father. Reducing these restrictions would begin a long-term effort to rebuild the family in low-income communities.

This would be a better battle plan for eradicating poverty in America than spending more money on failed programs. And it would help achieve LBJ's objective for the poor to "replace their despair with opportunity."

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