

### Ending/Reducing Poverty: A Forum

In April, the Center for American Progress—“a nonpartisan research and educational institute dedicated to promoting a strong, just and free America that ensures opportunity for all”—released the final report of its Task Force on Poverty: **From Poverty to Prosperity: A National Strategy to Cut Poverty in Half**. The Task Force was co-chaired by Angela Glover Blackwell of PolicyLink and Peter B. Edelman, Prof. of Law at Georgetown Univ. Other Task Force members were: Rebecca Blank, Linda Chavez-Thompson, Rev. Dr. Floyd H. Flake, Wizipan Garriott, Maude Hurd, Charles E.M. Kolb, Meizhu Lui, Alice M. Rivlin, Barbara J. Robles, Robert Solow, Dorothy Stoneman and Wellington E. Webb. Mark Greenberg was Task Force Executive Director.

Below is the report’s Executive Summary (the full report is available at the CAP website: [www.americanprogress.org](http://www.americanprogress.org)). We asked a range of policy experts and activists for their comments on the report and its recommendations, along with the Center’s responses to those comments, by Task Force Co-Chairs Blackwell and Edelman, CAP Sr. VP for Domestic Policy Cassandra Butts and Task Force ED Greenberg. We welcome readers’ responses as well, with the possibility we may print a letters forum in our September/October issue.

### From Poverty to Prosperity: Executive Summary

**T**hirty-seven million Americans live below the official poverty line. Millions more struggle each month to pay for basic necessities, or run out of savings when they lose their jobs or face health emergencies. Poverty imposes enormous costs on society. The lost potential of children raised in poor households, the lower productivity and earnings of poor adults, the poor health, increased crime, and broken neighborhoods all hurt our nation. Persistent childhood poverty is estimated to cost our nation \$500 billion each year, or about 4 percent of the nation’s Gross Domestic Product. In a world of increasing global competition, we cannot afford to squander these human resources.

The Center for American Progress last year convened a diverse group of national experts and leaders to examine the causes and consequences of poverty in America and make recommendations for national action. In this re-

port, our Task Force on Poverty calls for a national goal of cutting poverty in half in the next 10 years and proposes a strategy to reach the goal.

Our nation has seen periods of dramatic poverty reduction at times when near-full employment was combined with sound federal and state policies, motivated individual initiative, supportive civic involvement, and sustained national commitment. In the last six years, however, our nation has moved in the opposite direction. The number of poor Americans has grown by five million, while inequality has reached historic high levels.

Consider the following facts:

**One in eight Americans now lives in poverty.** A family of four is considered poor if the family’s income is below \$19,971—a bar far below what most people believe a family needs to get by.

Still, using this measure, 12.6 percent of all Americans were poor in

2005, and more than 90 million people (31 percent of all Americans) had incomes below 200 percent of federal poverty thresholds.

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**Millions of Americans will spend at least one year in poverty at some point in their lives.** One third of all Americans will experience poverty within a 13-year period. In that period, one in 10 Americans are poor for most of the time, and one in 20 are poor for 10 or more years.

**Poverty in the United States is far higher than in many other developed nations.** At the turn of the 21<sup>st</sup> century, the United States ranked 24<sup>th</sup> among 25 countries when measuring the share of the population below 50 percent of median income.

**Inequality has reached record highs.** The richest one percent of Americans in 2005 had the largest share of the nation's income (19 percent) since 1929. At the same time, the poorest 20 percent of Americans had only 3.4 percent of the nation's income.

It does not have to be this way. Our nation need not tolerate persistent poverty alongside great wealth.

**The United States should set a national goal of cutting poverty in half over the next 10 years. A strategy to cut poverty in half should be guided by four principles:**

**Promote Decent Work.** People should work and work should pay enough to ensure that workers and their families can avoid poverty, meet basic needs, and save for the future.

### **Provide Opportunity for All.**

Children should grow up in conditions that maximize their opportunities for success; adults should have opportunities throughout their lives to connect to work, get more education, live in a good neighborhood, and move up in the workforce.

**Ensure Economic Security.** Americans should not fall into poverty when they cannot work or work is unavailable, unstable, or pays so little that they cannot make ends meet.

**Help People Build Wealth.** All Americans should have the opportunity to build assets that allow them to weather periods of flux and volatility, and to have the resources that may be essential to advancement and upward mobility.

**We recommend 12 key steps to cut poverty in half:**

**1. Raise and index the minimum wage to half the average hourly wage.** At \$5.15, the federal minimum wage is at its lowest level in real terms since 1956. The federal minimum wage was once 50 percent of the average wage but is now 30 percent of that wage. Congress should restore the minimum wage to 50 percent of the average wage, about \$8.40 an hour in 2006. Doing so would help over 4.5 million poor workers and nearly nine million other low-income workers.

**2. Expand the Earned Income Tax Credit and Child Tax Credit.** As an earnings supplement for low-income working families, the EITC raises incomes and helps families build assets. EITC expansions during the 1990s helped increase employment and reduced poverty. But the current EITC does little to help workers without children. We recommend tripling the EITC for childless workers, and expanding help to larger working families. Doing so would cut the number of people in poverty by over two million. The Child Tax Credit provides a tax credit of up to \$1,000 per child, but provides no help to the poorest families. We recommend making it available to all low- and moderate-income families. Doing so would move two million children and one million parents out of poverty.

**3. Promote unionization by enacting the Employee Free Choice Act.** The Employee Free Choice Act would require employers to recognize a union after a majority of workers signs cards authorizing union representation and establish stronger penalties for violation of employee rights. The increased union representation made possible by the Act would lead to better jobs and less poverty for American workers.

**4. Guarantee child care assistance to low-income families and promote early education for all.** We propose that the federal and state governments guarantee child care help to families with incomes below about \$40,000 a year, and also expand the child care tax credit. At the same time, states should be encouraged to improve the quality of early education and broaden access for all children. Our child care expansion would raise employment among low-income parents and help nearly three million parents and children escape poverty.

**5. Create two million new "opportunity" housing vouchers, and promote equitable development in and around central cities.** Nearly 8 million Americans live in neighborhoods of concentrated poverty where at least 40 percent of residents are poor. Our nation should seek to end concentrated poverty and economic segregation, and promote regional equity and inner-city revitalization. We propose that over the next 10 years the federal government fund two million new "opportunity vouchers" designed to help people live in opportunity-rich areas. New affordable housing should be in communities with employment opportunities and high-quality public services, or in gentrifying communities. These housing policies should be part of a broader effort to pursue equitable development strategies in regional and local planning efforts, including efforts to improve schools, create affordable housing, assure physical security, and enhance neighborhood amenities.

**6. Connect disadvantaged and disconnected youth with school and**

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**work.** About 1.7 million poor youth ages 16 to 24 were out of school and out of work in 2005. We recommend that the federal government restore Youth Opportunity Grants to help the most disadvantaged communities and expand funding for effective and promising youth programs—with the goal of reaching 600,000 poor disadvantaged youth through these efforts. We propose a new Upward Pathway program to offer low-income youth opportunities to participate in service and training in fields that are in high demand and provide needed public services.

**7. Simplify and expand Pell Grants and make higher education accessible to residents of each state.** Low-income youth are much less likely to attend college than their higher-income peers, even among those of comparable abilities. Pell Grants play a crucial role for lower-income students.

We propose to simplify the Pell grant application process, gradually raise Pell Grants to reach 70 percent of the average costs of attending a four-year public institution, and encourage institutions to do more to raise student completion rates. As the federal government does its part, states should develop strategies to make post-secondary education affordable for all residents, following promising models already underway in a number of states.

**8. Help former prisoners find stable employment and reintegrate into their communities.** The United States has the highest incarceration rate in the world. We urge all states to develop comprehensive reentry services aimed at reintegrating former prisoners into their communities with full-time, consistent employment.

**9. Ensure equity for low-wage workers in the Unemployment Insurance system.** Only about 35 percent of the unemployed, and a smaller share of unemployed low-wage workers, receive unemployment insurance benefits. We recommend that states (with federal help) reform “monetary

## Witt Internship

We are accepting applications for PRRAC’s 2007 Edith Witt Internship grant, “to help develop a new generation of community activists.” The fund, established by her family, friends and co-workers, honors the memory of a wonderful human rights activist in San Francisco. To apply: send or email (to Chester Hartman at PRRAC, [chartman@prrac.org](mailto:chartman@prrac.org)) a letter from the sponsoring organization, describing the organization’s mission and outlining the work to be done by the Edith Witt Intern; and a personal statement (250-500 words) from the proposed intern and her/his resume. Pass the word to relevant grassroots groups.

eligibility” rules that screen out low-wage workers, broaden eligibility for part-time workers and workers who have lost employment as a result of compelling family circumstances, and allow unemployed workers to use periods of unemployment as a time to upgrade their skills and qualifications.

**10. Modernize means-tested benefits programs to develop a coordinated system that helps workers and families.** A well-functioning safety net should help people get into or return to work and ensure a decent level of living for those who cannot work or are temporarily between jobs. Our current system fails to do so. We recommend that governments at all levels simplify and improve benefits access for working families and improve services to individuals with disabilities. The Food Stamp Program should be strengthened to improve benefits, eligibility, and access. And the Temporary Assistance for Needy Families Program should be reformed to shift its focus from cutting caseloads to helping needy families find sustainable employment.

**11. Reduce the high costs of being poor and increase access to financial services.** Despite having less income, lower-income families often pay more than middle and high-income families for the same consumer products. We recommend that the federal and state governments should address the foreclosure crisis through expanded mortgage assistance programs and by new federal legislation to curb unscrupulous practices. And we propose that the federal government establish a \$50 million Financial Fairness Innovation

Fund to support state efforts to broaden access to mainstream goods and financial services in predominantly low-income communities.

**12. Expand and simplify the Saver’s Credit to encourage saving for education, homeownership and retirement.** For many families, saving for purposes such as education, a home, or a small business is key to making economic progress. We propose that the federal “Saver’s Credit” be reformed to make it fully refundable. This Credit should also be broadened to apply to other appropriate savings vehicles intended to foster asset accumulation, with consideration given to including individual development accounts, children’s saving accounts, and college savings plans.

**We believe our recommendations will cut poverty in half.** The Urban Institute, which modeled the implementation of one set of our recommendations, estimates that four of our steps would reduce poverty by 26 percent, bringing us more than halfway toward our goal. Among their findings:

**Taken together, our minimum wage, EITC, child credit, and child care recommendations would reduce poverty by 26 percent.** This would mean over nine million fewer people in poverty and a national poverty rate of 9.1 percent—the lowest in recorded U.S. history.

**The racial poverty gap would be narrowed.** White poverty would fall from 8.7 percent to 7 percent. Poverty among African Americans would fall from 21.4 percent to 15.6 percent. Hispanic poverty would fall from 21.4

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percent to 12.9 percent and poverty for all others would fall from 12.7 percent to 10.3 percent.

**Child poverty and extreme poverty would both fall.** Child poverty would drop by 41 percent. The number of people in extreme poverty would fall by over two million.

**Millions of low- and moderate-income families would benefit.** Almost half of the benefits would help low- and moderate-income families.

That these recommendations would reduce poverty by more than one quarter is powerful evidence that a 50 percent reduction can be reached within a decade.

**The combined cost of our principal recommendations is in the range of \$90 billion a year—a significant**

**cost but one that is necessary and could be readily funded through a fairer tax system.** An additional \$90 billion in annual spending would represent about 0.8 percent of the nation's Gross Domestic Product, which is a fraction of the money spent on tax changes that benefited primarily the wealthy in recent years. Consider that: The current annual costs of the tax cuts enacted by Congress in 2001 and 2003 are in the range of \$400 billion a year.

In 2008 alone the value of the tax cuts to households with incomes exceeding \$200,000 a year is projected to be \$100 billion.

Our recommendations could be fully paid for simply by bringing better balance to the federal tax system and recouping part of what has been lost by the excessive tax cuts of recent years. We recognize that serious action has

serious costs, but the challenge before the nation is not whether we can afford to act, but rather that we must decide to act.

## The Next Steps

In 2009, we will have a new president and a new Congress. Across the nation, there is a yearning for a shared national commitment to build a better, fairer, more prosperous country, with opportunity for all. In communities across the nation, policymakers, business people, people of faith, and concerned citizens are coming together. Our commitment to the common good compels us to move forward. □

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## Comments on CAP Report:

### Chris Howard

*From Poverty to Prosperity* performs a valuable service by describing the poverty problem clearly and collecting many good ideas to remedy the problem. Now comes the hard part—figuring out how to translate these ideas into practice. Frankly, we have known for a while that more childcare assistance, a larger Earned Income Tax Credit (EITC) and many other recommendations in this report would reduce poverty. The main difficulty, now and throughout US history, is convincing people in power to embrace these changes and fight for them. We need to think about politics as much as policy.

The authors of the report believe that the United States has an opportu-

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nity to do something significant about poverty. This opportunity is supposedly rooted in a national yearning for change (which is asserted but never proven) and upcoming elections. While I can see some positive signs, I also see trouble. As the authors note, poverty remains stubbornly high in the United States while inequality is growing. The report's recommendations, if enacted, would reduce both poverty and inequality. Nevertheless, the relationship between poverty and inequality has become more complicated in recent years, and it is possible to reduce inequality without doing much at all to relieve poverty. Politically, the temptation to do so is strong, which is why a report drawing attention to poverty is particularly important right now.

The missing piece here is the middle class. While inequality has worsened in recent decades, literally all the growth has occurred in the upper half of the income distribution. The gap between the rich and poor in this coun-

try has grown because the gap between the rich and the middle class has grown; the income gap between the poor and the middle class is virtually identical today to what it was 30 years ago. Thus, when you tax the affluent to pay for benefits targeted at the middle and upper-middle classes, you reduce inequality without reducing poverty. The US government currently spends hundreds of billions of dollars each year doing just that. Major tax expenditures for homeowners and for workers with health and pension benefits are the best examples, but the Child Tax Credit qualifies as well. Some of our social regulations, such as the Family and Medical Leave Act, also help the haves more than the have-nots. This trend could easily continue. Many middle-class families are experiencing greater economic insecurity and having trouble affording health insurance, saving for their own retirement or saving for their child's education. Because political participation varies directly with income and education, and

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because fiscal constraints seem daunting, many elected officials will be inclined to focus on the middle class before they worry about the poor and the near-poor. Advocates who worry about poverty need to make sure that discussions about inequality do not leave out the most disadvantaged members of society. They should insist that any changes in policy address poverty and inequality.

As far as politics, the report is largely silent. The basic strategy consists of setting an ambitious goal, listing dozens of policy changes that would help achieve that goal, and arguing that the benefits of change would outweigh the costs. *From Poverty to Prosperity* is long on charts, tables, statistics and references to previous studies—the kind of evidence that policy

experts and academics find persuasive. I'm just not sure that anyone else does. For instance, as Kent Weaver demonstrates in *Ending Welfare as We Know It* (Brookings, 2000), social scientific research did not have much impact on the 1996 welfare reform law. Instead, elected officials used such studies as ammunition to justify policy changes they already planned to support for personal, partisan or ideological reasons.

If part of the strategy is to attract more attention to poverty, my reading of recent history says to be careful. When issues surrounding poverty have been in the spotlight, the trend has been to retrench means-tested social programs; dramatic cuts in 1981 and 1996 are the best examples. On the other hand, when policymakers

have worked a bit more behind the scenes, growth has been possible. During the 1980s and 1990s, eligibility for Medicaid and the EITC was expanded on several occasions, and EITC benefits increased substantially. In each case, there were few Congressional hearings and little media coverage. Advocates shrewdly attached their changes to much larger bills and watched while legislators debated other, more controversial provisions. Admittedly, “Be Quiet and Be Clever” may not be the most inspiring or most democratic strategy in the world. To win a truly public debate, however, the authors of this report may need to recast some of their recommendations in order to distribute benefits across a larger constituency, ranging from the poor to the middle class. □

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## Herbert J. Gans

In these dark days when almost no one in Washington talks about poverty, “A National Strategy to Cut Poverty in Half” is a welcome and comprehensive anti-poverty program. It also contains an implicit four-part strategy which is worth analyzing briefly because it is both a typical and an apolitical strategy.

It treats non-poor Americans with *data-generating shock*, in order to impress them with the amount of poverty and inequality in the country and with *guilt-tripping*, in order to shame them for permitting these evils to exist. Then it advocates *economic rationality*, by proposing to spend \$90 billion to save the country the \$500 billion childhood poverty alone is said to cost, and it ends with *consensual rhetoric*, claiming a national “yearn-

ing for a shared national commitment to build a...fairer...country...with opportunity for all.”

Many of us active in anti-poverty policy in the 1960s but outside politics used a similar strategy. Although it may have helped to prepare the substantive ground for the original War on Poverty, I do not think it accomplished its political goal, and I doubt it will work now.

Many non-poor people are unmoved by inequality—in fact, many like to be slightly ahead of the Joneses. They are ambivalent about poverty, sympathizing with but also stigmatizing the poor, especially non-working ones. While they want poverty ended, they oppose many specific anti-poverty policies, starting with welfare.

Consequently, policy must be complemented by an explicit political strategy, and let me suggest six parts of one that may be useful to activists and campaigning politicians.

1. Broaden the policy to cover the below-median-income population, the country's “working people,” or target it mainly to the working poor but without excluding the politically less popular non-working ones.

2. Wherever possible, add to the budgets and broaden the eligibility for already existing and thus politically accepted policies—e.g., EITC, the Child Tax Credit, etc. as well as other income and job programs known to get resources to the poor. Suggest realistic and politically feasible ways of funding them.

3. Demonstrate the policy's political virtues—e.g., how it might persuade its supporters and beneficiaries to vote and vote Democratic.

4. Participate in programs to increase voting among the poor, although they may wait until they have more reason to vote—i.e., the existence of an anti-poverty policy like this one.

5. Lobby for the policy with the Democratic frontrunners—unless the already-persuaded John Edwards is one. If funds and workers are limited, work instead in the Congressional elections. A new anti-poverty policy requires a majority of liberal and center-left Democrats in both Houses.

6. Publicize the novel and long-range programs in order to place them on the political agenda and to familiarize people who will someday vote on and implement them. □

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## David K. Shipler

This thoughtful report vividly illustrates the American contradiction: a society with the skills, but not the will, to alleviate poverty. Most of the problems addressed in this blueprint are susceptible to the enhancement of existing government programs and the addition of a few new, creative ideas. But the hardships afflicting poor families run across a broad spectrum. At one end are those easiest to overcome with more money, in the areas of housing, schooling, health, wages, child care, asset building and the like. This is the part of the spectrum where the country has failed, as liberals rightly observe, in its public education, government services and private economy.

At the other end, more distant from ready solutions, stand the issues central to conservatives' arguments: the

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personal and family failures that become critical to a person's capacity in the competitive labor market. How to combat the bad parenting, teenage pregnancy, low graduation rates, inadequate skills, drug use, alienation, poor work ethics and other internal obstacles to success? Just as liberals are right to point to societal institutions, so conservatives are correct to aim at individual and family dysfunction. Both are part of the ecology of poverty.

It is easy for many conservatives to use individual disabilities to blame the victims and wash their hands of the issue. And many liberals find it convenient to blame societal institutions for creating the individual handicaps. At the extremes, these two ideologies freeze discussion. What we need is a multi-ideological approach that recognizes both ends of the spectrum and acknowledges the full sweep of the difficulties that burden families in destitution.

The recommendations here are dramatic, sensible and expensive investments with the likelihood of a hand-

some return. But they are only a step. They do not recognize fully that when a poor person in America presents her problem to an agency, she comes inside an invisible web of other problems that cannot be addressed unless we create gateways through which people can pass into multiple services. Imagine if a teacher with a hungry student could do more than toss the kid a Granola bar (as some have told me they do), but also had resources in school to check the family's eligibility for food stamps and refer them to a food bank or even to a malnutrition clinic if the child is underweight or developmentally delayed. Imagine if probation officers, pediatricians, job trainers, housing specialists and caseworkers of various kinds had the tools to address the issues backstage that jeopardize the performances of their clients. Solving poverty is a matter of connecting the dots, recognizing interactions among those in both the liberals' and the conservatives' favorite arenas, and then changing the ecological system. □

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## Mtangulizi Sanyika

The report's Executive Summary prescribes solutions that might have some impact on the protracted problem of poverty in the U.S. However, it raises more questions than it provides answers. The report sounds quite similar to other neo-liberal ideas that have been proposed over the years on how to address the problems of poverty within the existing rules and structures. The report implies that poverty can be reduced while maintaining the existing race-class-gender relationships within the political economy. After years of observing the failed policy prescriptions that vacillate between

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government and market approaches, it is my conclusion that the types of "practical" recommendations in the report are limited as permanent solutions to the protracted problem of decades-old poverty. The issue of poverty elimination is linked to a variety of other social issues requiring a paradigm shift that transforms the social, political and economic relationships in American society. Problems such as globalization, wealth concentration, militarism, the environment, gentrification, health care, etc. are intrinsically linked to the problem of poverty. Poverty is not simply a problem of insufficient income; instead, it is also a problem of "opportunity deprivation" which is structural in nature as evidenced by the decades of systemic racism, sexism and wealth-income in-

equalities.

For instance, policy proposals to rebuild New Orleans—a low-income, predominantly Black city — must transcend the rhetoric of equitable intent, and instead develop models of a transformed nonracial, urban economic democracy. That is to say, a "new" New Orleans must eliminate all of the prior systemic inequalities based on race, class and gender, or we are simply recreating the "separate and unequal" status quo of the past. It is not enough to argue that 10 or 20 years from now poverty will be reduced by 50%. African Americans and poor people in New Orleans should not have to wait that long, especially the 40% who have lived in disgraceful poverty since the 1960s. As we watched billions of no-bid dollars and incentives

flow through the hands of the established white elites, or observed the squandering of millions of taxpayer dollars on a sweetheart deal to mismanage the Road Home program, it is obvious that the rich keep getting richer at the peoples' expense. Radical solutions are required if poverty is to be eliminated in New Orleans. While I do not object to the proposed recommendations of the report, at best they are only transitional. Thus, I would argue that more systemic interventions are also required to eradicate both income inequality and opportunity deprivation.

The following five strategic approaches might move us closer to democracy by eradicating the race-class-gender inequalities and problems that existed in New Orleans and elsewhere for decades. Katrina simply exposed the magnitude of the problem that exists in all urban communities in the U.S. New Orleans will be a testing ground to develop an urban economic democracy that eliminates poverty.

First, **reparations** are due to African Americans and others who were exploited for centuries by the forces of government and capital in the building of this country. This is especially true for the resource-limited African Americans whose ancestors provided the free labor that built the agrarian South and laid the groundwork for industrialization of the North. The principle of Reparations is a well-established international legal right that is

## Fellowship Opening at PRRAC

### Skadden and Equal Justice Works Fellowships for graduating law students

PRRAC is also seeking applicants to sponsor for the Skadden and Equal Justice Works law fellowships to begin in the Fall of 2008. Applicants may be 3<sup>rd</sup> year law students or students currently in a judicial clerkship that is scheduled to end in the Summer of 2008. The potential Fellow(s) selected by PRRAC will work with PRRAC staff to develop a proposal related to one of PRRAC's current priority areas. For more information, please visit [www.prrac.org](http://www.prrac.org) (job bank). For additional information about the fellowship programs, visit [www.equaljusticeworks.org](http://www.equaljusticeworks.org) or [www.skadden.com](http://www.skadden.com).

due to Black Americans and others as well. Reparations could take many forms, including wealth and land transfers, cash payments, Community Development projects that address health care, housing, education, business development and other services that may equalize opportunity.

Secondly, there should be a **Victims' Compensation Fund** established for the victims of Katrina, just as there was for the victims of 9/11, to compensate all victims of this disaster that resulted from human error. A legitimate claim can be made that levee failure and government neglect imposed unnecessary harm, loss of life and material belongings, and undue suffering on thousands of people, for which they should be compensated. A starting place might be \$250,000 per household.

Thirdly, as the city is rebuilt, there should be specific provisions to en-

hance **wealth-building opportunities** for Black and poor people, such as access to homeownership for public housing residents, rental dwellers and Section 8 voucher holders. As the economy expands and diversifies, there should also be opportunities for asset-limited populations to develop partnerships with developers and asset-rich firms, in order to expand opportunity and wealth.

Fourthly, the 75,000 former Orleanian workers in the hospitality industry should be paid a **"livable wage"** with good benefits and working conditions. This alone would remove significant numbers of Orleanians from the income poverty rolls. A minimum wage will not eliminate poverty for the working poor. Locally-based good jobs and employment training are also required.

Finally, there should be integrated federal, state and municipal policies that require schools to work, health care to be available, housing to remain affordable, public transit to work everywhere, public safety to be accountable, and deep taxation on intergenerational wealth transfers. Youth must be integrated into all aspects of poverty elimination, and illegal drugs and weapons *must* be eradicated from all communities.

Such a comprehensive approach is the only solution to the decades of systemic inequality and neglect. Transitional policies and programs are useful, but much more radically practical interventions are required to eliminate poverty, rather than to simply alleviate it. □

## Race, Place, Opportunity Conference

On Oct. 12, the UNC Law School (whose Dean is PRRAC Bd. Chair John Charles Boger) is hosting "One People, One Nation? Housing and Social Justice: The Intersection of Race, Place and Opportunity."

Confirmed speakers include (PRRAC Bd. Members/Exec. Dir.) John Powell, Florence Roisman, Elizabeth Julian, Philip Tegeler; Nancy Denton, Roger Clay, Derrick Bell, Michael Calhoun, Shanna Smith, Sheryll Cashin and others. PRRAC is co-sponsor, along with the Natl. Housing Law Proj., Natl. Econ. Dev. & Law Ctr., No. Carolina Housing Coal. & No. Carolina Justice Ctr. The conf. will be preceded by an evening reception, Oct. 11, honoring John Calmore, whose work will be the subject of a special Spring 2008 issue of the *North Carolina Law Review*, with contributions by Kimberle Crenshaw, Derrick Bell, Mari Matsuda, John Powell, Gerald Torres, Charles Lawrence, Florence Roisman and others. Inf. from 919/962-0226, [civilrights@unc.edu](mailto:civilrights@unc.edu)

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## William E. Spriggs

The Center for American Progress put together a stellar team of experts on poverty. Their report is very comprehensive. A key component is to remind people that work must pay, and be able to lift people out of poverty. This truth ought to be self-evident; unfortunately, since the 1980s the discussion of fighting poverty has taken on the burden of fighting individual behavior.

The CAP recommendations on the minimum wage may appear to be silly to some, because of the degeneration in the debate. The report recommends raising the minimum wage and then indexing it to prevent the labor market from producing the oxymoron of working poor people.

People are poor because they do not make enough money. This limit could be because they cannot work. Laws prevent children from working, and not surprisingly, among Hispanics and African Americans huge shares of poor people are children. The elderly and the disabled, for the most part, also are unlikely to work, but are helped by Social Security. Children whose parents have died or are disabled are helped by Social Security, as well, and now outnumber those children who are helped by Temporary Assistance to Needy Families (TANF), the reform of the previous entitlement, Aid to Families with Dependent Children (AFDC).

Among working-age adults, however, the problem of poverty is primarily the problem of needing higher wages and more opportunities to work. Of course, working-age women household heads in poverty are heavily affected by the need to earn enough for them and to support their non-working dependent children (as opposed to their non-working dependent parents who are helped by Social Security).

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In the 1990s, women were helped by previous increases in their human capital—thanks to lowering discriminatory barriers to women in education and in the labor market—and a record-breaking increase in employment that helped pressure the easing of gender (and racial) discrimination in the labor market. The result was that the median earnings for women, for the first time, rose above the poverty threshold for a family of three. Childhood poverty dipped, accordingly. Similarly, in the 1960s, a then record labor market, and measures to decrease racial discrimination, pushed the median earnings of Black men above the poverty threshold for, first, a family of three, and then for a family of four. And, Black child poverty declined almost in half. Those are the only two periods of meaningful declines in American child poverty. And, both the 1960 and 1990 spurts were helped by increases in the federal minimum wage.

The hard reality of our economy is that it does generate bad jobs—those

that pay low wages and lack benefits. And, in a competitive labor market, that means those who face the most hurdles—those created by society by discrimination and inequality, and those created by poor individual choice—end up losing the sprint for decent jobs. Clearly, poor individual choices alone cannot explain who ends up being poor—Scooter Libby, and his criminal record, Paris Hilton and Britney Spears, now a single Mom, are evidence enough that poor choices are not the real issue. So, while it is true that poor choices can lead to poverty, not all mistakes land all people in poverty; and the deeper truth is that society's acceptance of low wages for the jobs we want done, and should value—child daycare worker, nursing home attendant—trap people below the poverty line, and because we need those jobs done, people who are virtuous, and people who have made mistakes, will end up in those jobs. The CAP report is important for putting that all in perspective. □

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## Margy Waller

A review of The Center for American Progress' Task Force on Poverty report begins—and ends—with the report's title: *From Poverty to Prosperity: A National Strategy to Cut Poverty in Half*.

Others may have a detailed analysis of the task force policy recommendations. But because the report is pre-

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mised on a goal to cut poverty, these recommendations will have little impact. If CAP had developed a different title and goal, there would be more payoff from the organizational endorsement of this set of proposals.

As it is, utilizing a goal to end poverty probably dooms the rest of the report, because it won't work.

A policy framework that slices and dices beneficiaries creates an "other," violating the big idea that we are all in this together. Rather than arguing to fix the economy for a distinct class—the poor—our narrative should describe an economy that works for all of us.

There are three problems with the poverty goal.

First, poverty is a flawed measure for assessing progress toward desired

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outcomes, including many of the report's proposals. As a result, a goal to "halve poverty" is both limited and limiting. CAP copied this initiative from the UK, where Tony Blair established a similar goal in 1999, but the definition and public understanding of poverty are vastly different in the UK than in the US, making the UK model difficult to transfer across the Atlantic.

Poverty in the UK is measured using absolute and relative measures of income and also by a material deprivation measure (added to ensure that families do not fall too far behind the rest in meeting material needs), all supporting an official national plan for social inclusion. In the US, the official poverty formula uses only an *absolute* measure of income deprivation based on household budgets in the 1950s. Since poverty signifies something quite narrow in our country, we need a new framework for the kind of multi-dimensional policy proposals in the CAP report.

Second, public understanding of the causes and remedies for poverty hinders adoption of the very policy solutions outlined in the CAP report. While advocates point to opinion surveys showing public support for "helping the needy," such arguments overlook the limitations of opinion polling. If the public support were indeed this strong, Congress would have acted accordingly long ago.

The limitations of the support identified by the polls are significant. Too many people believe that people are poor because of *bad decisions* or *personal moral failing*. While the percentage agreeing with such statements can shift depending on how the question is worded and where it falls in the survey, the agreement is so strong across surveys over time that it's folly to wrap policy proposals in a goal to reduce poverty.

In a recent Pew survey, 7 of 10 people agreed that the poor are too dependent on government assistance. And a review of the opinion surveys *after* the 1996 changes in federal welfare law finds as much as half the public is inclined to blame individual "lack of effort" for poverty, as many or more than before the law changed. It turns out that welfare changes didn't undermine conservative arguments after all.

Third, by defining the problem as "poverty," the CAP report opens the door to a losing scenario for policy-making. The media simplifies these debates and portrays them as two competing proposals. My crystal ball predicts proposals like these in any Congressional debate over the best way to cut poverty in half:

1) The *Law to Halve Poverty Over Ten Years* with good schools, universal pre-k, financial education, expanded tax credits and Pell Grants,

health coverage for all, expanded food stamps and childcare, indexed minimum wage, unions; and

2) *Making Poverty History Act*, stressing marriage and work.

Conservatives would demolish the first, comprehensive proposal because it goes far beyond the stated goal of raising income above the poverty line (about \$20,000 for a family of 4), and the public won't support such spending proposals if they believe people are poor due to personal failures.

The CAP report and goal sets up a debate about "personal responsibility" that will feel sadly familiar to anyone who followed the evolution of welfare legislation in the last decade. We should develop policy goals by consulting the research evidence *and* anticipating the debate's impact on policy outcomes and public understanding.

Progressives have already lost on the issues of poverty and "personal responsibility." It's time to recast the goal as one of economic mobility and social inclusion. CAP missed an opportunity by sticking to an old—and failed—framework for this debate. The progressive agenda and political campaigns of the near and longer term will benefit greatly if CAP would expend its considerable expertise and resources on developing an alternative lens designed to build broad public support for these policy solutions. □

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## Michael R. Wenger

I applaud the Center for American Progress for trying to put the elimination of poverty back on the public policy agenda. The report of its Task Force on Poverty is an important step in this direction.

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But the report's failure to acknowledge the critical intersection of race and poverty is deeply disappointing:

1. Racism is never explicitly mentioned as a cause of poverty, which risks leaving the impression that the racial disparities the report enumerates have nothing to do with the legacy of our oppressive history or with persistent institutional racism today.
2. There is no mention of addressing racism as a way to reduce poverty, which guarantees that

the report's recommendations will not level the playing field for people of color.

Failure to recognize that racism and poverty are inextricably intertwined has significant policy implications. For example, the report recommends ways in which to assist with prisoner re-entry, but it never mentions the mandatory sentencing policies that disproportionately and unjustly send people of color to prison in the first place. Similar examples of racist policies and

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(WENGER: Continued from page 11)

practices must be addressed in education, employment, and access to homeownership and quality health care if we are to create equal opportunity for people of color. The preponderance of black faces in the gruesome post-Katrina pictures was no accident. Even President Bush acknowledged, at least verbally, that the legacy of our history of racism played a major role in the disproportionate impact of the disaster on African Americans.

We know the issue of race is fraught with emotion and is, thus, a difficult topic to discuss. And the report does make the point that its recommendations will narrow the racial poverty gap. Fair enough. However, unless we recognize racism as a root cause of poverty and propose specific steps to uproot it, we will treat only symptoms. The disease of racism will continue

unchecked, and ending poverty will remain a distant dream.

Public officials shy away from the issue because they believe it alienates white voters. But a think tank like the Center for American Progress, by thoughtfully and forthrightly addressing the issue and providing data to demonstrate the continuing salience of race as a determinant of treatment in society, could educate the public that the civil rights legislation of the 1960s did not create racial equity. This could begin to change the racial climate, build a critical mass of support for directly confronting racism, and offer some political cover for public officials.

The Katrina disaster, by riveting the nation's attention, created a window of opportunity—still slightly ajar, though closing fast—to talk more openly about the interconnection of poverty and race. We should seize

## Summer Interns

PRRAC welcomes its new 2007 summer interns: **Tori Gordon**, our Law & Policy Intern, just finished her first year at Georgetown University Law Center, and **Carl Owens**, a junior at Princeton, joins us through the Princeton Office of Public Interest Internships.

what remains of this window to advance the racial dialogue in a way that does not blame people for past wrongs or ascribe racial animus to current policies and practices, but reflects upon our collective community responsibility to address past wrongs, as well as current, often subconscious, racist practices that persist in our institutions. As Rabbi Abraham Heschel has told us: "We may not all be guilty, but we are all responsible." □

## Jill Cunningham

*"In the fight to overcome extreme poverty, the poorest families are the first ones to take action. Make us your partners as you move forward on the agenda of peace, development and human rights for all. Let's pool our knowledge, yours and ours. Let's act now, no longer separately, but together."*

Such was the call to partnership that Tita Villarosa, a grandmother who has lived in a cemetery in Manila for more than 15 years, delivered in a face-to-face meeting with then-UN Secretary General Kofi Annan on October 17, 2005. She was part of a small delega-

tion from impoverished communities in 8 countries (including the US) who dialogued with Annan on that International Day for the Eradication of Poverty. ([www.oct17.org](http://www.oct17.org))

It is Tita's call for a partnership involving the experience, know-how and participation of people in poverty themselves that, in our view, is lacking in the CAP's nonetheless comprehensive report. To have seen people with a direct experience of persistent poverty as experts on the CAP Task Force on Poverty, and to more expressly acknowledge what struggling families do already to fight poverty, would, in our view, have strengthened the report's ambitious and far-reaching policy proposals.

In November of 2005, independent UN expert Arjun Sengupta followed this vital strategy, consulting with those hit hard by Hurricane Katrina and its aftermath, as well as people affected by long-term poverty in other communities. In his report on extreme poverty and human rights in the US, he emphasized that "*The full partici-*

*pation of people living in poverty should be ensured in the design, implementation, monitoring and assessment of programs for combating poverty. Such programs should build on poor people's own efforts, . . . responding to their actual needs.*" (<http://www.ohchr.org/english/bodies/chr/docs/62chr/E.CN.4.2006.43.Add.1.pdf>, p.2, my emphasis). We commend CAP's idea of an annual report on progress, but would like to see the expressed framework for people in poverty to be part of that evaluation.

Such a multi-voiced partnership is not easy, nor automatic. Families and communities in extreme poverty have had sometimes generations of humiliations and failures. Very few initiatives in society have proven to them that they have an expertise to share. Thus, we need to create more opportunities that bring people from different social backgrounds together to work on common aspirations. Such initiatives create greater understanding of the obstacles faced by families in poverty, and can help generate

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greater social cohesion and solidarity. Cutting poverty in half—whether in the US or internationally—is insufficient. Tita and others like her, here and abroad, do not ask to halve poverty; they want to eradicate it. Our experience has shown that, unless anti-poverty strategies make special efforts, from the start, to reach those living in extreme poverty, the gap between them and the rest of the population

simply increases, economically and in terms of social exclusion. Programs that effectively include the “hardest to reach,” however, have proven to benefit all concerned. To this end, we appreciate CAP’s “progressive universalism” approach and applaud the real goal: “to end American poverty in a generation.” Or sooner. As Tita said, “Let’s act now...together.” □

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## Center for American Progress Response

by Angela Glover Blackwell, Peter Edelman, Cassandra Butts and Mark Greenberg

We thank PRRAC for encouraging discussion of and commentary on our report. We wrote the report to show that the nation has the capacity to dramatically reduce poverty and to help make the case for a national goal of cutting poverty in half in the next ten years. The report is one of a number of recent initiatives and efforts across the country—from the faith-based community, civil rights groups, mayors and others—seeking to elevate local, state and national attention to poverty. We are encouraged both by the growing momentum and by the number of people and groups who have found our report helpful. We recognized that our recommendations, while extensive, were not a comprehensive cataloging of a complete agenda for progressive social change in America. Addressing poverty is one part of a broader agenda, but we wrote the report to emphasize that it should be an essential part of that agenda.

We agree with a number of observations made by commenters. For example, we agree with Jill Cunningham

about the importance of active involvement and participation of the poor, and with Herbert Gans about the importance of promoting higher voting turnout among low-income people, elevating attention to poverty in the 2008 elections, and building on successful and popular programs. We share David Shipler’s view that a successful strategy needs to meld calls for social and personal responsibility. We agree with Mtangulizi Sanyika that poverty is not simply a problem of insufficient income but is also a structural problem of “opportunity deprivation.” That is why we propose a strategy combining the four themes of decent work, promoting opportunity, ensuring security and helping people build wealth. And we agree with Bill Spriggs, both about the critical role of adequate wages, and about the importance of not treating the failures of the labor market as failures of personal responsibility.

Our report includes twelve recommendations which we believe, taken together, would cut poverty in half. Several commenters point to areas that we didn’t discuss or that they wished we had discussed in greater detail. In particular, Mike Wenger wishes we had spent more time discussing the role of and calling for efforts to bring an end to racism. We are very mindful of the central role that racism has played in American social policy, and a number of Task Force members have spent much of their lives addressing it. We think that an important contri-

bution of this report is that, in addition to highlighting the role of racism, we call for measuring the extent to which policies reduce the racial poverty gap. Moreover, our proposals, if implemented, would result in the lowest African-American and Hispanic poverty rates in US history and a dramatic reduction in the racial poverty gap. At the same time, a comprehensive agenda should include but must go beyond the report’s recommendations—as we emphasize in the report.

Almost all of the commenters speak favorably of the need for a renewed national effort to address poverty. Several, however, raise questions about how to make the most effective case or about the political viability of focusing on poverty. Herbert Gans emphasizes the limits of “guilt-tripping” and “consensual rhetoric.” Chris Howard suggests the importance of tying efforts to those that benefit the middle class, and working “behind the scenes” with a “be quiet and be clever strategy.” Margy Waller asserts that it is folly to wrap policy proposals in a goal of reducing poverty.

We agree that guilt-tripping is not an effective strategy, but we think a broad consensus can be built, on moral and economic grounds, that sustained poverty is contrary to our national interest. The moral case is not that we should feel guilty about poverty but rather that it is wrong to tolerate it. The economic case cannot be limited

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(RESPONSE: Continued from page 13)

to a call to narrow self-interest, because most Americans aren't poor and don't risk persistent poverty. But Americans respond to more than narrow self-interest—one compelling example is the success of the minimum wage movement; another is the increasing recognition of the importance of early education to the nation's future growth. Our nation needs a healthy, well-educated, capable workforce in order to be globally competitive in the 21<sup>st</sup> Century. The research of Harry Holzer of Georgetown University and his colleagues found that poverty imposes a half trillion dollar cost on the economy each year.

For many issues, an effective approach can draw upon the shared interests of low- and moderate-income Americans. We urge a framework of progressive universalism—that when a problem or need is shared by many, the solution should provide help to all, with the most help to those who need it most. However, an effective long-run strategy cannot just talk publicly about the middle class while seeking to quietly slip provisions to help the poor into bills. If legislators don't see or hear a constituency urging them to do more than address middle-class needs, why would they do so? Further, some issues that are fundamental to addressing poverty—helping disconnected youth re-engage, prisoner re-entry, housing and development strategies to address concentrated poverty—are not likely to be prominent in a middle-class agenda. The agendas to address middle-class insecurity and to reduce poverty are overlapping and complementary, but limiting our public discussion to the middle class won't get us far enough.

Margy Waller essentially dismisses the relevance to the US of the UK's commitment to end child poverty because the UK uses a broader set of measures of poverty. But advancing a commitment to a national goal could, and likely would, generate renewed discussions about how to better measure poverty. When Tony Blair in 1999

announced the goal of ending child poverty, there was no established official poverty measure in the UK for purposes of reaching the goal. The measures were announced in 2003, after a consultation process, and four years after the national goal was declared. Since 1998-99, absolute child poverty has fallen in the UK by more than half, relative poverty by 18%, and the Tory Party leadership now speaks favorably of the importance of reducing child poverty. UK policymakers urge the need for both poverty reduction and social inclusion, but it is highly unlikely that there would be the same pressure for efforts to reduce child poverty in the absence of a quantifiable, measurable goal.

Waller also contends that talking about poverty is doomed to fail because many people believe the poor are at fault for their conditions, and progressives have “lost” the personal responsibility issue. Polling data show that the public is pretty evenly divided on whether the biggest explanation for poverty is individual behavior or social conditions, but the data also show that most people believe it's a combination of the two. This isn't reason to avoid talking about poverty. Of course it's true that poverty is caused by both individual and social causes. We won't generate public support for policies that appear to reward bad behavior—

## Thank\$

We're happy to acknowledge recent financial contributions from **Howell Baum, Michael Allen, Katherine & Eric Kravetz, John W. Edwards, Henry Korman, Fred Pincus, Nora Lester Murad.**

whether we talk about “poverty” or another term or concept. Our report makes clear that the persistence of poverty cannot be reduced to individual failings, but it also shows how the nation can dramatically reduce poverty in ways that are entirely consistent with expecting and rewarding individual initiative and responsibility.

We are very encouraged by the increasing attention to poverty in Congress, among the public, and among Presidential candidates. Such attention can and should grow in the coming months—a John Zogby poll recently found that most voters would be more likely (58% more likely, 8% less likely) to vote for a candidate committed to a goal of cutting poverty in half in ten years. This is a key moment in which to advance a national campaign to address poverty in America, and we look forward to working with a broad range of people and groups in such an effort. □

## Resources

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