

Name _____

Poverty in the United States

It is easier to talk about the reality of poverty in the United States than it is to answer **why** this reality exists. One can analyze poverty from many different angles; from the purely *economic viewpoint*, from that of political or *public policy*, from its *social impacts*, from the responsibilities of the poor themselves, or from the moral viewpoint.

Poverty Defined:

In America when we speak about poverty we keep changing the basic definition. These changes reflect how we see poverty occurring relative to the rest of the economy or in relationship to those at higher economic levels. Typically, we speak of those who live below the government defined **poverty line** which is roughly defined as the amount of money a family of four needs to live a *marginal life*. How poverty should actually be defined is a very controversial issue.

We can say that living in poverty usually means just enough money to buy enough food, pay the rent, and buy other life necessities. For **2016** the poverty line for a family of four was placed at **\$24,300** a year, in contrast to in 1988 when a family of four's poverty line was if their income was less than \$12,090 a year.

Where the Government places the poverty level is very important because that is the maximum income level at which people can qualify to receive various government assistance programs. For example, **welfare eligibility** starts in some states at the poverty level and this is also the level at which entitlement begins for **food stamps**, **Head Start**, and the **National School Lunch Program**. In other words, if your family makes "too much money" relative to the poverty line, you will not receive any assistance from the Government.

According to the U.S. Census Bureau there are approximately **45 million** Americans or **14.5%** of the U.S. living in poverty. Statistics provide us indications of some of the reasons. Figures show higher numbers of poor among *minority populations* in our large cities. White populations in places like Appalachia are equally high and speak to us of regional considerations, realities that often result from availability of material resources and general employment. Cities and towns that have experienced "bust" periods following "boom" periods, such as Indianapolis claim that today they have their highest ever number of poor people or those on welfare due to very high unemployment resulting from drastic market changes. Towns once dominated by a Union may be poor today.

To be poor in a **materialistic culture** is difficult. Often, people living in poverty are faced with living in old, often dilapidated housing, in neighborhoods where many other poor cluster together, and are without access to good health care, reasonably priced food, good jobs, and good transportation. To be poor often also means you will live without good public services such as regular garbage collection, good schools, good police protection and security.

The real pressures of life constantly impinge upon the poor who have no financial savings to meet each new crisis. If you live "pay check to pay check" and are laid off from a job, you can quickly find yourself homeless. Many poor people are born into poverty and remain in that state all their lives. Worst yet, their children may also live their entire lives in poverty: in other words, poverty can often be viewed as a cycle which is repeated by the next generation.

Discussed below are seven factors which may contribute to **perpetuating poverty** in this country. As usual, the question remains will the "invisible hand" solve this problem or does the government need to be more involved to find an adequate solution?

Engage your critical thinking. I expect YOU to challenge/improve upon this list in our discussion!

Factors to be considered (not necessarily in order of importance):

1. Immigration

We are a nation created by immigration and generally immigrants enter the social and economic systems, especially the work force, at the bottom. Rarely do members of a first generation of immigrants move far enough up on the economic ladder to no longer be categorized as poor. Current statistics report that 24 percent of children living below the poverty line are in families of recent immigrants. The problems around legalization complicate the issue, and further reduce opportunities for recent immigrants. We see teenagers who were brought to this country as babies by their parents. They don't even know they are illegal until they try to get a social security number, and it is extremely difficult in the present climate with Immigration U.S. Citizenship & Immigration Services (USCIS) to get legalized.

2. Public Assistance (Welfare) Policy

The history of public policy in the U.S. has kept many poor people poor. From the days of the passage of the Social Security Act in 1935, which first created the possibility of *public assistance*, welfare has been a mixed benefit, with fathers essentially expected to be absent from the family. The 1996 Welfare Reform law now requires a person to find work within two years of going on

welfare, and it puts a lifetime limit of five total years of welfare assistance. Many of the jobs that people are able to find when they get off welfare pay minimum wage and continue to keep the poor people poor. How can the government best help the poor escape poverty is a question the U.S. has still not answered!

Was the recent Welfare Reform a good thing or a bad thing? Should Government be more involved?

3. Education

Education, or lack thereof, is frequently a major factor in keeping poor people poor. This directly impacts job opportunities and general advancement in society. In modern society, skills, especially in technical tasks, are essential for employment adequate to support a family. School systems poorly tuned to the needs and attitudes of the poor have failed to motivate poor people to make the necessary investment in the time and effort needed to really get ahead. Middle class minorities will usually attribute their success to their educational opportunities. They have something to sell in the marketplace. There is also a relationship between immigrants and education with some groups valuing education highly and seeking it as the greatest advantage they can offer their children for the future.

4. Greed

Is there an undeniable situation of greed among the "haves" especially the wealthy upper class which accepts as a given the presence and suffering of the poor, and believes they have a "right" to a larger share of the world's goods? Many, of course, share their wealth, but do we share to any degree of equity or real empathy for the poor? There are more billionaires in our country than ever and their number continues to increase. What used to be a list of Fortune 500 millionaires is rapidly becoming a growing list of billionaires. What is today the American dream? Is it a job and a home of your own or is it two or three houses, expensive cars, vacations, and money to invest in the stock market! Do the wealthy bear some responsibility to help solve the problem of poverty?

5. Prejudice and Racism

Prejudice and racism are strong factors relative to minority poverty, and there is now considerable evidence and research demonstrating that race and ethnicity continue to place minorities at a disadvantage in most employment competition. In our own state **25 percent** of black men less than 24 years of age **are in prison** which is evidence of the desperate situation of most young black men in our country.

6. Teenage Pregnancy

Teen pregnancy continues to be a precipitant factor for dependency and poverty among women and children. The fact of a million pregnancies in this age group every year with at least 500,000 live births to teen mothers has long been a strong predictor of poverty for both mother and baby. These pregnancies are a signal of deprivation and many young mothers seek the dignity and love that they believe comes with motherhood.

7. Lack of Effort

Many take it for granted that the poor exist and many blame the poor for their suffering; many still have the attitude that the poor can pull themselves up by their own bootstraps.

8. Other

9. Other

Critical Thinking Questions

After reading and reflecting on the above, write your answers to the following questions. Do not just spout out generalities, but show evidence of putting some thought into your answers.

- 1) What are the top three factors you feel contribute to poverty in the U.S? Why? Explain in detail (minimum 1/3 page)
- 2) What is the responsibility of the government in fighting poverty? What steps should the government be taking that it is not taking already? (minimum 1/3 page)
- 3) What are three other solutions you propose to reducing poverty in America? (minimum 1/3 page)