The growing 

Divide

A University Dialogue on Poverty and Opportunity
Table of Contents

5 Foreword
   by Bruce Mallory and Chris Colocousis

7 Poverty and Community: Understanding Culture and Politics in Poor Places
   by Mil Duncan

14 How’s Your Health? What’s Your Zip Code? Poverty and Health
   by John Seavey

18 Welfare Queens or Courageous Survivors? Strengths of Women in Poverty
   by Victoria L. Banyard

21 The Vicious Cycle: Poor Children, Risky Lives
   by Bruce L. Mallory

24 Perspectives About Occupational Justice
   by Barbara Prudhomme White, Sajay Arthanat, and Elizabeth Crepeau

28 Poverty and Plenty: The Divided American Plate
   by Joanne Burke

33 Owning Your Own Home: Reality or Myth
   by Robert M. Henry and Charles H. Goodspeed

36 Poverty, Money, and Happiness
   by Nick Smith

39 Who Shall Assist the Poor? An Inquiry into the Role of Markets,
   Private Charity and Government
   by Tom Birch

42 See No Evil, Hear No Evil, Stop No Evil:
   How Do We Uncover and Combat the Loss of Educational Opportunity for the American Poor?
   by Sarah M. Stitzlein

45 Global Poverty & Global Politics
   by Stacy VanDeveer
Foreword

Introduction to The Growing Divide:
Making the Invisible Visible

Bruce L. Mallory and Chris Colocousis

Reading this collection of eleven essays by UNH faculty, we are reminded that an important function of a university is to uncover even the most unpleasant truths in the name of conveying and constructing knowledge. In this fourth year of the University Dialogue, we have moved from pressing but widely acknowledged issues (globalization, energy, democracy) to a realm that is less readily discussed, especially within the American context. The older of us remembers his own freshman-year common reading in the fall of 1967, when the assignments included Michael Harrington's *The Other American; Poverty in the United States* (MacMillan, 1963). This book is famous for its naming of an unsettling truth in the early '60's, after a decade of post-war peace and prosperity—that there was a sizable and growing invisible segment of the population in the US living in extreme poverty and with little chance of achieving the idealized American dream. The book received the attention of President Kennedy and the US Congress, and served as a critical stimulus in the design of the War on Poverty, the creation of the Office of Equal Opportunity, and numerous social policies and programs such as Head Start, Job Corps, The Civil Rights Act, and VISTA.

The essays in this monograph serve as a contemporary assessment of progress that has been made as well as gains that have been lost over the past 40 years in the United States and globally. There is good news here and bad. The good news is that we know a tremendous amount about the causes and consequences of poverty, and when we put that knowledge to work in private and public sector efforts, we can succeed in mitigating the effects of poverty and reducing its incidence. The bad news is that the frequency of poverty is increasing in New Hampshire and the United States, and we have made little headway in changing the lives of the poorest citizens globally. That is, we know what to do, but we seem to be unable (or unwilling) to expend the effort necessary to be fully effective in addressing the persistence of poverty. As Professor Seavey notes in his essay, we need "resources as well as will."

The essays as a whole address definitions and conceptions of poverty; the relationships among poverty, opportunity, democracy and meritocracy; the effects of poverty on society and on individuals; and measures that can be taken to address the challenges of domestic and global poverty. Each author writes from his or her disciplinary perspective, while making it clear that poverty can only be understood through multiple intellectual, social, political, and economic lenses.

Definitions and Conceptions of Poverty

What is poverty? In formal terms, poverty refers to the condition of inadequate financial resources when measured against a relative threshold for attaining an “adequate” standard of living. As these essays point out, the poverty threshold varies greatly from nation to nation. Financial metrics can provide us with an approximate indication of how people's circumstances vary across the planet. But what else does poverty entail besides a lack of money? Other, broader definitions move beyond one's material standard of living and encompass quality of life matters such as opportunity, access, self-worth, and inclusion. Another way of thinking about poverty focuses on how a lack of financial resources inhibits the ability to fully participate in social and political life. In this sense, poverty and opportunity are related directly to the practice of democracy. The correlates of poverty and opportunity—educational attainment, access to health care, secure housing, adequate nutrition, and so on—are seen as linked directly to the effectiveness of governments and their ability to address the needs of all citizens. Thus, the essays in this volume begin to unpack the many ways that a lack of financial resources inhibits opportunities beyond the ability to secure basic material needs.

Poverty, Opportunity, and Meritocracy

Why does poverty exist? In the US, dominant explanations of the persistence of poverty over the past three decades have focused on the values and behaviors of
the poor themselves. Often pejorative explanations are centered on the work habits of poor people, and the need for the poor to change their values and behaviors in order to “pull themselves up by their bootstraps.” If the poor would just work harder, the thinking goes, they wouldn’t be poor anymore. Such explanations for poverty may resonate with us because they appear to make sense, especially in light of the images of the poor that we commonly see or hear about in the media. As well, attitudes toward poverty and race have become intertwined, leading to confusing assertions about cause and effect.

But what about the case of children or others who find themselves in impoverished settings through no choice of their own? Here, poverty is understood not as the outcome of individual characteristics but rather as the product of circumstance. Some children are poor merely by virtue of an “accident of birth.” And as the essays point out, children born into poverty are more likely to encounter significant developmental and educational challenges than those born into opportunity. Similarly, a family living in an isolated rural community may become poor when the local paper mill closes because its owners cannot compete in the international market. Did the family become poor because its values changed, or was it the result of circumstance? Are refugees to the US who were once doctors, lawyers, or business owners in a war-torn society and now drive taxis or manage convenience stores less well off because they have changed or because the circumstances of their lives have changed?

What then is “opportunity,” and how does it relate to poverty? When we speak of opportunity in the US, we commonly mean the chance to compete in the labor market. Central to our value system is the idea that we live in a “meritocracy,” or a society in which talent and ability are rewarded, socially and financially. The chief means of securing access to valued resources is one’s job, which in turn is associated with educational attainment. But not everyone shares the same sets of job or educational opportunities. In some communities, employment opportunities may be scarce to begin with, may be seasonal in nature, or may offer few or no benefits. Other communities will be marked by low unemployment rates, high average wages with benefits, and strong tax bases to support local schools, thus “affording” opportunities not available in neighboring towns.

The essays also raise the particularly American tensions between the ideals of democracy and meritocracy. That is, does American society distribute resources solely on the basis of talent and ability, or do we also take into account basic needs regardless of merit? As several authors point out, access to resources and the opportunity to compete for them are significantly influenced by socially constructed categories such as racial or ethnic identities, place of residence, or one’s earliest life experiences, regardless of inherited or acquired intellectual merit.

Effects of Poverty

Poverty and opportunity are related to each other like competing family members. They are perceived as counter forces to each other; the success of one limits the success of the other. The greater the incidence of poverty in a society, the less opportunity there is for individual success. And, to the extent that there is more opportunity available, the incidence of poverty will be diminished. In a democratic society, constitutionally dedicated to the rights of life, liberty, and the pursuit of happiness, poverty itself represents a set of constraints on the freedom of its citizens. What about the freedom (opportunity) of a child to play, or to grow up in a supportive community with sufficient material resources? What if this freedom is infringed upon due to living in an unsafe area, or lack of access to affordable health care? What of the freedom to live in an area free of environmental hazards, or to move away from a neighborhood with polluted drinking water? What about the freedom to participate in the labor market? What if poor quality schools do not prepare young people to enter the labor market or succeed in post-secondary education? These are among the numerous and troubling questions that are posed in the essays you will read.

What is Your Role?

What seems like the most important side of the equation to you—the ways that opportunities and structures affect or reproduce poverty, or the ways that poverty affects opportunity? Or are they both equally important? Is poverty merely an unpleasant and necessary result of living in a society that allocates resources largely on the basis of successful competition in the labor market? What should be done about it in your view? From another perspective, what are the risks of focusing on money as the sole answer to the limitations caused by poverty?

As you contemplate these questions and the arguments made by each author, we also ask you to pay
attention to the language of poverty and opportunity. Sometimes our language can be objectifying or patronizing. Those of us who have achieved academic success and economic well-being can be guilty of “blaming the victim,” or speaking about “those people” in terms that are not inclusive. We may rely on statistics or aggregate data and forget about the individuals represented by those data. That is, our own opportunities and achievements can mask our ability to not only see but understand those who lack opportunity. We become blind to the other America, in Harrington’s words. We fail to see the resilience and competencies of those we define as the other. It is this greater understanding and humility that will be necessary to truly address the growing divide.

Bruce L. Mallory, Ph.D.
Provost and Executive Vice President
Professor of Education

Chris Colocousis,
Doctoral candidate, Sociology
University of New Hampshire
Poverty and Community: Understanding Culture and Politics in Poor Places

Mil Duncan
Sociology Department
Director of the Carsey Institute

Poverty is on the nation’s radar screen again—and there is a consensus building across the political spectrum that we need policies that (1) encourage work and make it pay, (2) support working families, and (3) invest in educating poor children. We have good research that shows how important employment is, and how much parents need support when they work. But programs and policies that directly support working families and their children are not enough. We also need policies that strengthen community institutions and address the bundle of problems plaguing people in poor communities. This paper shows how culture and politics perpetuate poverty by undermining core institutions in chronically depressed communities. In this paper I briefly summarize what urban researchers have concluded about how neighborhoods affect poor children, youth, and families; discuss what I have learned in poor rural areas; and consider what these findings mean for policy to address poverty and place.

What is poverty? British sociologist Peter Townsend argues that “poverty is the lack of adequate resources to participate in the accepted ways in society.” This definition reflects new thinking in the UK and Europe about “social exclusion” and the “marginalized”—people who are cut off from the mainstream and not participating in the wider society. Today some 37 million Americans live below the official poverty line of $20,000 for a family of four. Seventeen percent of all children are poor today, 24 percent of black children and 22 percent of children of Hispanic origin are poor; in rural America half of all Black kids and a third of Hispanic and Native American kids grow up poor. In some areas poverty rates are over 50 percent. In 1959, when we began measuring poverty, 39.5 million people were poor. Poverty declined in the sixties and early seventies, and in 1973 was at its lowest with 23 million poor. After World War II we had 25 years of widely shared growth, and policies like the GI Bill and mortgage assistance programs helped working class Americans join the middle class. Since 1973 we have seen growing inequality, and falling wages as well as an increase in single parenting have meant high poverty rates.

Social policies in some developed countries keep child poverty low and minimize how much a child’s family affects his or her achievements. Government investments in child care, early childhood education, family allowances, maternal and paternal leave, and higher education all counter the tendency of pure market forces to increase inequality and produce poverty. This is not the case in America. While we support the elderly through Social Security and Medicare, our policies for low income families do not reflect broad public responsibility for child outcomes. We rely on the market and families themselves to provide opportunities. And we have not really addressed the strains created when mothers are in the workforce. Even after Temporary Assistance to Needy Families (TANF), we still approach social policy as a safety net (temporary assistance) rather than as public investment in our shared future.

Why does poverty persist? The “culture” explanations say “poor people are just not trying hard,” and the “structural” explanations place the blame on racism or exploitation or the unfair outcomes associated with the way the free market works. In other words, some say poor people do not take responsibility for themselves and their families. Others say the poor face a lack of opportunity—too few jobs, bad schools, racism and sexism. Of course, our ideas about why people are poor influences what kind of policies we develop to help the poor. Many of the explicitly anti-poverty programs in America emerged during the 1960s and 70s. Kennedy was struck by the idea that those not “lifted by the rising tide” were trapped in “a culture of poverty.” Lewis had originally introduced the notion of a “culture of poverty,” a “way of life...passed down from generation to generation,” characterized by apathy, hopelessness, and hostility and suspicion. He said persistent poverty occurred when the poor were not integrated into society. This lack of integration is similar to the concept of social exclusion.
In the 1980s de-industrialization and loss of manufacturing jobs available to people with limited education coincided with increasing suburbanization and the flight of the middle class from the cities. Poverty became more concentrated in the inner cities, and there were more teen pregnancies, out of wedlock births, increasing dropouts, gangs and drugs. These problems were attributed to “bad behavior.” People began to talk about a new underclass—a group with a different “culture,” different values. Wilson began his research on the underclass in Chicago during this period, and looked at both the structure (who gets what opportunities) and the culture in these neighborhoods. He argued there were two key changes: the black middle class left the ghetto as affirmative action opened up opportunities to do so, leaving neighborhoods with no role models; disinvestment in core community institutions followed. Work disappeared, especially for low-skill workers who had had good-paying, stable blue collar jobs.

Following Wilson a new generation of poverty studies emerged examining these “neighborhood effects.” In a 1990 review Jencks and Mayer said at-risk youth in areas with concentrated poverty were influenced by collective socialization, the influence of peers, and failed institutions. Duncan and Brooks Gunn found that neighborhoods had a greater impact on child outcomes than families, and the key to better outcomes was not fewer poor neighbors, but rather more middle income neighbors. Anderson’s work in Philadelphia documented the battle between “street culture” and “decent culture,” and the declining influence of the “old heads” who used to guide young people into the mainstream. In the late 1990s Furstenberg studied poor families in Philadelphia’s tough neighborhoods. While parenting effectiveness did not vary by neighborhoods, he did find that poor families benefit from strong community institutions and that communities with more middle income families have stronger institutions. His team concluded, “Our family-centered political culture does not recognize how much parental success itself is interwoven into a system of opportunity and inequality of life chances that are set by economic and political priorities.” Similarly, Morenoff and Sampson’s work on “collective efficacy” combines ideas of trust, social control and community institutions. So there is now a large body of research that shows community conditions make a difference for the poor, and the more they are mixed in with middle class people the better their chances for escaping poverty. These results resonate with my findings about poor rural families in Worlds Apart.1

Persistently poor rural places are divided into two classes: the haves and the have-nots. The poor are socially isolated, worlds apart from the haves. In persistently poor communities the middle class is a small group, and those with middle incomes hold themselves separate from the poor, investing in separate institutions like schools and churches. There is no middle class holding public officials and employers accountable, and the public sector is corrupt.

Two concepts are important here: cultural tool kit and civic culture. Over time the “culture of poverty” has come to be a way to blame the poor for their poverty. Swidler developed the idea of the cultural tool kit. She sees culture as a “tool kit of symbols, stories, rituals, and world-views,” skills and habits, not preferences and wants, what we know of the world, what people like us do. She gives the example of a young boy from the inner city who is asked why he does not want to be a doctor, and, because it is so far from what he knows and can imagine, says “who? me?” Your cultural tool kit is filled by your immediate world, your community. The second concept refers to how things are done in the community—the civic culture. What are the community norms? How does the community work? There are three key elements to civic culture: trust, participation, and collective investment—the intangible goods. This idea is like collective efficacy. Places with high levels of trust, wide participation, and real community investment have community institutions that offer greater opportunities for poor people to escape poverty. Recall that many of the culture of poverty concepts are just the opposite of these: distrust (hostility and suspicion one researcher said) and lack of engagement in society’s mainstream institutions.

The community I studied in Appalachia has been one of the poorest places in America over a long time. Life in coal communities today is still shaped by what went on in the early days when coal mining was very competitive, and Appalachian historians describe how operators took over local politics in the early 1900s so they could control everything, fearful that participation in civic life would encourage unions. As one historian put it: “The operators are not only the miner’s employer, they are his landlord, his merchant,  

1 I conducted a multi-year study of persistent poverty in Appalachia, the Mississippi Delta, and for comparative purposes, a remote northern New England community with lower poverty. My colleagues and I conducted over 350 in-depth, open-ended interviews—not just with the poor, but with the rich and middle class as well. We collected and analyzed the interviewees’ life histories and experiences in their community, looking for patterns that would help explain why chronic poverty plagued Appalachia and the Delta.
the provider of his amusements, the sanitary officer of
the town, sometimes the source of police protection
and the patron of his physician, his minister, and his
school teacher. It is paternalistic, in some ways a feu-
dal civilization.” The result was control and vulner-
ability, distrust, and the suppression of any civic par-
ticipation. When the mines mechanized after World
War II, there were huge job cuts, and hundreds of
thousands left the region. Those who stayed without
good jobs pieced together a livelihood with odd jobs.
Many relied on welfare. When I talked with people
in the 1990s their refrain was how scarce jobs were—
“you can't even buy a job.”

People from all walks of life describe two classes:
some joking there are the “good rich people” and the
“bad poor people.” Others distinguish between those
who work and those who “draw” welfare. One man
said, People that want to work are the same as people
that do work because they're still trying to work. And
then there's people who don't want to work at all, never
have and never will. We call them first-of-the-monthers
because they come out of the mountains the first of the
month with about ten kids and don't wash. When I
worked at the grocery store, you could smell them com-
ing. But they just draw food stamps and stuff like that.
They live like that, and I guess that's the way they want
to live."

These are small communities where the great ma-
jority of people still live where they were born and
grew up. Family name matters. “A lot of times you can
hear somebody's last name and before you even meet,
you've already got the idea that they're either a good
person or they're sorry as can be.”... Those that have a
family with a horrible name, when they come in, we
know them, and they’re not worth two cents. They’re
sorry as can be—Stealing, selling dope, bootlegging,
picked up for driving drunk, in and out of bankruptcy
court.” Everyone can identify the “families that run
things,” and people are wary of them. You have to be
very careful here. You have to be extremely careful. If
you’re not careful, you'll make enemies, and you don’t
want to make enemies—especially if you don’t have im-
portance. If they blackball you, you will not be able to
get a job flipping burgers.”

Civic life is not “civic”—politics are corrupt, a well-
oiled patronage system works for public jobs, with
no accountability, and private jobs are based on who
you know and what your family name is. Schools
for the poor—county schools rather than the more
elite “county seat schools”—are chaotic, with low
expectations. Here teachers get their jobs by whom
they know and how they voted, not how well they
Teach. Life is family-based and church-based, and
families and churches are grouped by social class. As
one minister told it, I see people very, very concerned
about their own families, and their concern stops there.
They’re strongly family oriented here. And they would
do anything for their family. Let's just say they are very
defensive about the rights of their family. They don’t
want to be criticized. They don’t want to be treated un-
fairly. They have a great concern for their own family.

I've talked to my congregation. This concern ought to
go beyond family. The professional and business class
families are insulated from the poor who make up the
majority of their county. They live in the county seat,
send their children to the city school where they are
active in a Parent-Teacher organization and partici-
pate in school events, and attend the old established
churches.

Let me describe one young mother, Gwen, whose
story is typical in many ways. She grew up very poor,
often without enough food. Her parents were strict
and religious, and she eventually rebelled and ran
with a bad crowd. She dropped out, got pregnant,
then married at 17 after her child was born. When we
talked she was a waitress and her husband ran a skid-
der—and the work was of course seasonal. They were
struggling to get by, even with both of them working.
The marriage was strained. Her hopes for her children
are revealing about her own life and Appalachia itself:
I want them not to drop out, not to end up sitting on
the porch all day. I want my girl not to marry and get
pregnant too young, but to have a good family when
she is ready. If she does marry, I would like her to have
her own job and a car of her own, know how to drive,
and not to be totally dependent on a man. And then my
boys, I don't want them to have children and then go
to work, and barely be able to feed them, or barely be
able to put diapers on them, and just have to scrounge,
like Billy and myself. My boys, I don't want them in the
mines. I want them to do better for themselves. You
know, they don't have to be doctors or lawyers. They
can be teachers, nurses, social workers. Even like the
restaurant work, maybe they may want to get to be
the operator or owner of it, but not just work in it as a
hard, scrounging, everyday job to get by.”

I found the same pattern of two classes, haves and
have-nots, in the Mississippi Delta, although with a
stark racial dimension. Again, everyone can name
the few families who “run things.” They are called
“bossmen” by blacks, “farmers” by whites. But blacks
and whites agree you do not want to “cross them.”
“They will cut you out” or “run you out.” Racism runs throughout these communities’ institutions where longstanding patterns of segregation persist. There are two worlds. The white academy absorbs the white community’s civic energy, fundraising and volunteering, and sports involvement. The largely black public school is chaotic and struggling to keep its accreditation. More than 1,500 black families live in poverty compared to about 200 white families. But these places include very wealthy farmers, and over the last thirty years farms have become larger. There is great wealth for the few, deep poverty for most, and virtually no middle class, white or black.

“There are four middle-class white families here, three or four,” a storekeeper told me. As for the black middle class, most agree with the black school teacher who said, “Our black middle class are those who have left for the city.”

Whites own almost all the property and businesses and control all the jobs; blacks must seek jobs, credit, and housing from whites, and sometimes from those blacks who act on whites’ behalf. Blacks work for white families and farms as domestics, cooks, tractor drivers, field hands, and for white-run businesses as factory workers stitching at the apparel plant or cutting off fish heads at the catfish plant. Blacks’ opportunities to work are always vulnerable to whites’ decisions—for example one white truck driver’s wife explained: If one of the blacks was to piss Jimmy off—you know he drives for a farmer—he could make it hard on him if he said something to his boss. He could make it really hard on the boy, make him get fired. It’s just over here the blacks don’t have the opportunities that whites does. They’re really disgraded.” The white elite control the political machinery, but also, with high illiteracy among poor blacks in the community, blacks vote with whites out of habit and deference. A black leader explained: Blacks who have known only the plantation and a life in which they relied on the bossman will vote with him out of habit and deference. ... uneducated people need to go through someone, they need to get help from Toms that have been there for a long time and the whites have gained control of them.

Caroline is a single mom who grew up in a family of 13 in a two room shack—hot in the summer, cold in the winter. At an early age she dropped out of school, encouraged to do so by the principal, to help at home and work in the fields. To escape, she married and went to Chicago. But it was hard: He was terrible, awful. He started beating me. It was awful. Then one day—after we been there about a month—when he was high, he put a knife to my throat, said he was going to cut my throat, going to kill me. See this scar here, buried down in my neck? Then he put a gun on my forehead, cocked the gun, said he was going to kill me. I just said, “I don’t care. Go ahead.” I was tired. I wanted to be home. I wanted to be rid of him.” . . . I just left. And I was lost in big old Chicago. But being in the city! Think what that was like! You never been anywhere. Stayed in the country, hardly ever come to town. Come to town sometimes on a Saturday, taking turns, my sister would go one Saturday, I’d go another, my brother go the next Saturday. That’s the way we’d do, the way we went to town. I hadn’t ever come out of the country, and all of a sudden I end up in a big city.

When she returned home to the Delta she got into a bad life of drinking, many men, no work, and had children out of wedlock. But a few years before we talked she had been converted by a local evangelist, and now she was trying to do right by her children, and her advice to them is telling about how she sees her own life: “I use my life with my kids as an example. I say, “I’m a mother thirty-four years old. Here I got all five of you all.” I say, “what do you all think?” I let them explain to me what they think about life. Do they think I should be married or have a husband? I have five kids that need me. “you got one daddy,” I say to my son. I tell my older daughter that she has a different daddy. “You all ain’t got the same daddy. Do you think that should be? You know, that’s not right. And I don’t want you to grow up like that thinking it is...” You can be married before you have a child. And before you marry, take time to know yourself and find yourself and grow. Go to school and do something that you want to do. Don’t just jump in and marry.

Like Gwen, Caroline wants her children to avoid her mistakes and be successful. But she lives in a poor neighborhood in this plantation driven county, with violence and vandalism all around her. Her children attend dysfunctional schools, where knife “cuttings” are common and there are few after-school programs or opportunities for sports or music. What her children see about how “people like us” act and fit in the community is shaped by that immediate community and its institutions. The poor black community lives separately from the well-to-do white community, and whites still have the power. It is hard to bring about change. As one black leader said: “It’s going to take years to change this. How can you defeat a guy that has got half of the people working for him or that benefit from him, whether through a job, living in one of his houses, or going through him to get loans? How are you
going to defeat him? They feel obligated to him because they've worked for him or he's provided them jobs.”

These patterns are anchored in the way the economy was organized a century ago. One day a coal operator set up a company store and required miners to shop there, or a plantation bossman told his workers their children would continue to pick cotton and miss school, even after the plantation schools themselves were closed. Maybe the owner of a coal company handpicked the sheriff during an election, who then ran out unruly laborers interested in organizing a union. Maybe a sharecropper who questioned the bossman’s handling of his account in the plantation store was evicted and blackballed from employment. Over time these decisions, rules, and experiences defined how people relate to one another and became patterns that people expect, norms governing how things are always done. They form the civic culture. These relationships and norms are reinforced by overt action of those who benefit from them, but they are also maintained through memory and tradition, reputation and family history. People know each other’s families across generations, their good deeds and bad, power and vulnerability, and successes and failures. The structure of daily life that takes shape over time is taken for granted. Because new ideas and new resources rarely penetrate this environment, people form their cultural tool kit in the context of the relationships and norms they know.

And while the poor are trapped in dead-end part-time jobs and ignored in disorganized schools, vulnerable to the internal politics and personal whims of managers, the haves live comfortably in a rural suburbia. In the Delta they send their children to the private school, in Appalachia their children go to the independent public school in the county seat. With their neighbors, they support school and church programs that benefit their own families. They know one another, look out for each other’s children, and devote themselves above all to their family and church. In many ways their lives include all the good things we look for in small community life—familiarity, neighborliness, safety, and a good pace. When middle income families ally themselves with the rich and powerful and safeguard their privileges and control, there is no group that holds local politicians or private employers accountable for good, fair government or just labor practices. There is no group investing time and money to build strong public institutions like schools, recreation facilities and programs, or libraries. Potential middle class families look out for their own children, accept the corruption and patronage, and do not challenge the status quo. The combination of distrust and the greed people see in public and private life prevents cooperation.

In the early days of Appalachia’s coal economy and the Delta’s plantation economy, operators and bossmen maintained tight control over workers—not just in the workplace, but in every dimension of social and political life. Poor people learned that the way to get along was to accept the way things were, to do what was expected, to not speak out or make waves. Those who did not accept the status quo found they were ostracized or openly encouraged to leave, forced to choose “exit” over “voice,” to use development scholar Albert Hirschman’s terms for migration and political activism. In most cases those who gained an education had to leave to find decent work. The climate was not welcoming to newcomers, so few moved in bringing new perspectives. The inequality and political grip of the powerful went unchallenged decade after decade, and in the 1990s you could see the result in high poverty and a weak civic culture.

Poor people grow up in social isolation from those who control opportunities in the Delta and Appalachia. With their own family and narrow networks as their social world, they have a hard time absorbing the habits, skills, and images that might help them enter the mainstream. Their lives are intertwined, they see each other every day, but they live in different worlds, worlds apart. There are some very important cases of individuals—teachers, aunts and uncles, grandparents—inspiring or guiding young people to a life outside poverty. Expanding the tool kits and overcoming the effect of the community. But this is not the pattern—most fall into making those bad decisions, and there are few mechanisms for building a good life and few chances for mobility.

The stories I heard in these rural communities give a firsthand picture of the way inequality can undermine the public sector, the “public or social goods,” the community institutions the public sector supports—on which the poor rely to improve their life chances. There is limited investment but also limited accountability. Community institutions do not work. Generous individuals’ actions matter, and can help a few escape, but without more widespread investment in community institutions those from poor families do not have much of a chance to achieve the American Dream. There is a door opening for better policy approaches to strengthen families and improve outcomes for children and youth. These
are encouraging signs. But I think there is also good research showing that the effectiveness of these policies also depends on how communities “work,” and part of our policy agenda should be to preserve the middle class and strengthen the community institutions that provide pathways into the middle class. We need policies that recognize the intersection between culture (as tool kit that informs those decisions young people are making) and the civic culture that shapes community institutions. So as individuals we can be mentors and coaches who help those in poor families believe in themselves and make the decisions that lead to a better life, but as citizens we also must support good schools and strive to keep neighborhoods mixed rather than segregated by class, and support policies that truly provide equal opportunity.

References


How’s Your Health? What’s Your Zip Code?  
Poverty and Health

John W. Seavey  
Health Management and Policy

For centuries it has been known that there is a relationship between one’s status within a social system and health. While the evidence for this is extensive and pervasive, we tend to block it out. However, traveling twelve miles on the Washington Metro from downtown Washington, DC 20001 to Rockville, MD 20847 takes one on a trip of life expectancy; life expectancy rises by half a year for each mile traveled. At one end poor blacks have a life expectancy of 67 years and on the other end wealthy whites have a life expectancy of 76.7 years, a difference of almost ten years (Marmot, 2006). Geronimus has demonstrated that within New York City the probability of a white male surviving from age 15 to 65 was 77%: the probability of a black male in New York City surviving was 37% (Geronimus, Bound, Waidmann, Hillemeier & Burns, 1996). Stated differently, nearly two-thirds of young black men in 11212 (Bedford Stuyvesant) will die before the age of 65. Someone living in Gramercy Park-Murray Hill 10010, a distance of 6.7 miles, has a very different life expectancy. In work that I and my colleagues have been doing, people in Biddeford, Maine [04005] have nearly twice the rate of preventable hospitalizations for diabetes than people in Kennebunkport, Maine 04046, a distance of 12.5 miles. Portland, ME 04101 has a rate of preventable hospitalization for diabetes which is 2.4 times that of Cumberland, ME 04110 which is eleven miles away (Seavey, McGrath, Laflamme & Stranksy, 2008).

The poor and disadvantaged have traditionally carried the larger burden of disease and disability. An oversimplification of the argument is that the disadvantaged (as measured by multiple indicators) are more likely to be sick and die at an earlier age. Others have stated it as “the poor have poor health” (Marmot, 2006). However, the relationship between poverty and health is best described as a “gradient.” This implies that the impact of socioeconomic status on health (income, education, occupation, class and other factors) affects us all and not just the poor. As socioeconomic status improves, health improves. However, this paper will focus on the poor. The following discussion will expand upon some of the complexities of the relationship between income and health and then raise policy questions at the end.

The relationship between socioeconomic factors and health is tied to the issue of “downstream” and “upstream” causes. The “downstream” causes of mortality and morbidity are the more direct causes (e.g., smoking, lack of exercise) while the “upstream” causes are “the causes of the causes” (Marmot, 2005). For example, it is readily accepted that if we did not smoke, exercised more, drank pure water, ate fresh fruits and vegetables and limited intake of saturated fats we would be healthier individuals as well as a healthier society. The US Department of Health and Human Service’s HealthierUS Initiative program points to the four pillars of health, being physically active, eating a nutritious diet, getting preventive screening, and making healthy choices (U.S. Department of Health and Human Services, 2008). However, this focus on behavior and “just do it” frequently becomes “victim blaming.” If only people would eat right, if only…. However, the reasons for unhealthy behaviors and the difficulty of changing them are far more complex than merely advocating changing behavior. These behaviors have complex relationships with socioeconomic factors. For example, the poor tend to eat bad foods not because they do not know better or because they do not like nutritious foods. Healthy food tends to be more expensive and less accessible in poorer neighborhoods. In addition, the lack of safe neighborhoods and outlets for recreation limit opportunities for exercise for the poor. Diet and exercise are both causes of obesity which in turn lead to increased cardiovascular and other diseases. Getting the poor to eat nutritious food, exercise, get screenings, and avoid risky behaviors requires resources as well as will.

The link between health and poverty is complicated by the fact that it is reciprocal. The poor have ill health and the ill are more likely to be poor. The latter relationship is especially true in a country such as the United States which does not do as much as other countries to reduce income insecurity due to ill health. In the United States health insurance is not a right and your level of
health is actually a major determinant of how much you must pay for health insurance. In the United States medical expenditures account for 40% of bankruptcies [approximately 500,000 in one year] (Gottlieb, 2000). Approximately 37% of Americans have difficulty paying medical bills and two-thirds of these forgo medical care as a result of their medical debt (Doty, Edwards & Holmgren, 2005). Ill health can cause poverty which can in turn lead to further health problems and then cascading economic and health consequences.

That is not the case in most other comparable countries in the Organization for Economic Cooperation and Development (OECD), where health insurance is universal and the cost of it is more evenly distributed among the sick and the healthy. Even if one cannot ease the physical or emotional impacts of illness, a major role of health insurance is to isolate individuals from the potential devastating economic impacts of poor health. In other OECD countries, not only is health insurance universal, the cost of the insurance tends not to be based on how sick an individual or family might be. In addition, supplemental income is frequently provided for those who are unable to work for a period of time.

In the United States, a severely disabled child can easily place an entire household in economic jeopardy as well as cause additional health problems.

However, the general focus of this paper is on the other side of the relationship between poverty and health: those who are poor have poor health. Here again the interactions are complicated. Those who are poor are less likely to have jobs that have health insurance. They are more likely to be working two or three part-time positions, none of which have health insurance as a benefit. Without health insurance the poor are more likely to be ill and face more serious problems due to the delay in treatment. The Institute of Medicine has demonstrated that the lack of insurance has an important impact on the health status of those without insurance (Institute of Medicine, 2001). A recent update on the IOM methodology estimates that 137,000 people died from 2000 to 2006 due to lack of health insurance (Dorn, 2008). There have been some important policy initiatives to help solve the problem of the 47 million uninsured in the United States; however, the number of uninsured has increased steadily and there is nothing to indicate any decline soon.

In the United States version of medical care delivery, market forces are seen as important for decreasing unnecessary consumer demand. The insurance designs for co-pays and deductibles are meant to decrease unnecessary utilization by making the consumer feel the economic pain of unnecessary medical treatment. However, such economic tools are crude devices which have long been recognized to have unfortunate impacts on the poor. Even the famous Rand Study which was the economic study lending support for co-pays and deductibles warns against their application to the poor (Brook, Ware, Rogers, Keeler, Davies, Donald et al. 1983). Despite that warning, deductibles and co-pays of $10, $20, or $50 which have no impact on use of medical services by the middle class or wealthy become major obstacles for the poor.

The poor have fewer opportunities when it comes to education. For example, the economic value of a college education is slightly less than one million dollars of additional income over that of a high school graduate (Day & Newburger, 2002). If one can find sufficient student loans and endure the debt upon graduation, a college education remains a good economic investment. However, it is more than that; it is an investment in one’s health and longevity as well. Education is one of the more powerful determinants of health (Smith, 2005). The link between education and health generally is tied to increased cognitive capacities, an increased knowledge base, access to better and safer occupations, increased learned deferral of gratification, and higher self-maintenance (Duncan, Daly, McDonough & Williams, 2002; Mechanic, 2007). While there are inter-relationships between education and income, evidence from more wealthy countries indicates that income and education are separately protective and that each additional year of education reduces mortality by about eight percent (Deaton, 2002).

The connection between poverty and health is both at the individual and community level. That is, people’s health is affected by the general level of affluence of the community in which they live and not just their own personal income. Stephanie Robert presents a conceptual framework for examining the impacts of community characteristics on individual health (Robert, 1999). Levels of air pollution, safe neighborhoods, meaningful working opportunities, the presence or absence of illicit drugs, sidewalks, and the quality of public education are all factors reflecting community affluence. The characteristics of a zip code create the environment which in turn impacts both the individual’s and the community’s health.

Much of the effort in the United States on the disadvantaged has focused on increased access to medical care which makes sense given the 47 million uninsured in the United States. However, models of the production of health such as the one developed by Evans and
Stoddart reflect the importance of socioeconomic factors and the relatively minor contribution that medicine plays in making our society healthier (Evans & Stoddart, 2003). Universal health insurance is a necessary but not sufficient factor for improved health in the United States. It should be accompanied by social policies which reduce the social gradient and improve the socioeconomic status of the poor. What we do about the impact of poverty on health goes back to a debate between two of the founders of epidemiology in 19th century Great Britain. Edwin Chadwick and William Farr had a debate in 1839-1840 regarding what could be cited as the cause of death on a death certificate. Farr, who was a physician and Registrar of General Births, Deaths and Marriages, attributed 63 of the 148,000 deaths in 1839 to “starvation.” Chadwick, who was at the time the Chief Administrator of the Poor Law and responsible for Farr’s appointment, objected to the classification of the 63 deaths due to starvation since it reflected poorly on the functioning of the Poor Law which was supposed to be the safety net (Hamlin, 1995). Chadwick focused on the downstream causes (infections); Farr recognized the importance of upstream causes (poverty). Chadwick won the debate. The political implications of upstream causes are as polarizing today. How could the richest country in the world, the United States, recognize that poverty is a major contributor to death and illness among its citizens? How can those same market forces which are supposed to create efficiency also create increased death and disability among the poor? Instead of recognizing the role of socioeconomic status on health and the importance of social policy, it is easier to downplay its significance and blame the victim.

Among the 30 OECD countries, the US ranks above only Mexico, Korea, and Ireland in gross public social expenditures as a share of GDP spending, and it does the least to target government taxes and transfers towards moving families out of poverty. Not surprisingly, outcomes such as infant mortality and life expectancy are worse in the U.S. than in most advanced industrial countries (Yellen, 2006).

This has led some to argue for public policies to counteract growing income inequalities in the United States. The link of health and poverty has been well established. What has not been extensively discussed in this country is what we should do about this situation. To what extent should the fact that a baby was born to a family in zip code 20001 rather than in 20847 determine the health of that person or the length of that person’s life? Should the tax burden be more progressive to lessen the burden on those with the lowest income in order to allow for those people to have more disposable income for better food and living conditions? To what extent should medical care and health care be a marketable commodity whereby the poor are disadvantaged? Should the government become more active in terms of maternal and child health by guaranteeing healthy starts for all children no matter what their socioeconomic status background? What would such support look like? Should there be increased focus on community opportunities for exercise, sidewalks, bike trails, skating rinks, urban exercise parks? Should there be economic incentives to provide fresh fruits and vegetables to poor neighborhoods? Should public policy not care about the poor and their health outcomes? Should co-pays and deductibles for medical care be linked to income levels? Should public transportation systems be extended to ease transportation costs for the poor and facilitate access to medical centers? With the rising cost in food goods, should funding for school lunch programs, a major source of total nutrition for poor children, be expanded? Should minimum wage and minimum tax levels be adjusted each year for medical care cost inflation? These are only some of the topics that are in need of dialogue so that we have a clearer understanding of what we want our public policies to accomplish in providing the opportunity for a long and healthy life.
References


Welfare Queens or Courageous Survivors? Strengths of Women in Poverty

Victoria L. Banyard
Psychology Department

The number of people living in poverty in the United States is staggering and a growing body of social science research clearly documents the negative consequences for the physical and mental health of people struggling to meet their basic needs (e.g. Recker Rayburn, 2007). Yet to most of us these people are just statistics. Without critical analysis of the historical and social factors that contribute to poverty, negative stereotypes and victim blaming arguments flourish—further perpetuating the problem (e.g. Bullock & Lott, 2001). This paper aims to shed light on one of the largest categories of those struggling with poverty: women. It focuses particularly on what these women say about their lives. Their voices are particularly clear about the strengths many women bring to their struggle to overcome the stress of living in poverty. Their stories show their attempts to find another route toward opportunity for themselves and their children. Such strengths, all too often hidden behind stereotypes, as will be discussed below, offer valuable lessons for all of us and a fundamental base of knowledge for policies and programs that aim to support the movement of these women beyond survival to thriving.

Social science research continues to document the persistence of negative images of low-income women. According to a survey in a recent study, college students linked individuals in poverty more often with negative stereotypes such as “uneducated”, “lazy,” or “unpleasant” than those in the middle class, who were more likely characterized as “hardworking” or “intelligent” or “family oriented.” (Cozzarelli, Wilkinson, & Tagler, 2001). Furthermore, those surveyed were likely to attribute the causes of poverty to presumed actions of those living in poverty (lack of effort or substance abuse problems) rather than external or wider societal reasons (e.g. discrimination, lack of opportunities) or chance (e.g. bad luck). These results underscore the notion that as a society we believe these individuals control their destiny entirely and thus, when they wind up in poverty, get what they deserve. Katz (1989) states, “We can think about poor people as ‘them’... poor people usually remain outsiders, strangers to be pitied or despised, helped or punished, ignored or studied, but rarely full citizens, members of a larger community on the same terms as the rest of us” (p.236).

It is important to know that this attitude is not borne out by the research on actual causes of low-income status. There is much more to this status than a woman’s choices and limiting our focus to individual choices or traits restricts our understanding of the problem. Instead, we need to ask questions about the context in which she leads her life. For example: Does a woman have a community rich in resources on which she can depend? What are her social supports? Is she isolated? Is she coping with violence? What opportunities does she have for education? Is there affordable housing in her community? Employment that pays a living wage?

Impoverished women are a diverse group and like any other group, have a wide range of different experiences, stresses and needs. Understanding them brings us to a fuller picture of their lives and also, perhaps, to better means of helping them.

A variety of research highlights problems with affordable housing, health care, and low-wage work (e.g. Lott & Bullock, 2001; Rollins, Saris, & Johnston-Robledo, 2001). Women themselves describe the web of stress they deal with daily:

If you find a place, the landlord, the majority, are not understanding. I’m in a shelter, I need a home now, but I need a deposit for first month’s rent. When you’re on [welfare] and you’re only allowed so much money, that’s next to impossible and you have an allotted time to get out of the [shelter]. That’s stressful, knowing that the clock’s ticking... You’ve worked all your life, and then you’re stuck on welfare, and then your children ask for things. My son needs new shoes, we can’t find his father to get his clothes. He’s got two pairs of pants. I had to take part of my money out of my check to go get him some clothes. In a way, you’re damned if you do and damned if you don’t.
The toll this takes is great. As one woman put it, “It seems like every time you try to do something, you’ve always gotta struggle for something else. It gets hard and frustrating at times. You just wonder, are you ever gonna stop having to do this? Are you gonna stop living a normal life, like most people, instead of just being out there struggling and trying to survive?”

Yet in the face of these obstacles women find ways not only of surviving but finding meaning and hope for the future. They use an array of survival strategies including focusing on and gaining strength from their children and their roles as mothers, patiently enduring what they have little control to change, actively working on each problem they encounter, and building social supports through friends and spiritual communities (Banyard, 1995). The words of women interviewed during my own research exemplify these strategies through their observations on the value of empowerment, social supports, and sheer persistence.

One single mother of children living in a shelter for homeless families speaks of persisting through hard times and roadblocks to stability. “We just, we think of it again and think of another route. You know, like taking another street. You know, it’s not like you’ll hit a highway but you just hit another street, but it won’t be a dead end street.” Another talks about the need for persistence. “It’s not how you deal with ‘em, it’s how you go by it. It’s not easy to deal with, not at all. You get frustrated, and you wanna say this and you wanna say that, but you can’t say it. You gotta keep it all in your head and just be strong the next time around.” Yet another mother describes her drive to succeed. “I know if I keep sitting here and keep being ambitious, keep calling places...it more or less gives me a hope, to let me know I haven’t failed because I still want to go on. You know, it’s like I run this race, I fall down. I’m not just going to lay there. Even if I lose, I’m going to get up and still try to make it to the finish line.”

These characteristics of patience and persistence as women set clear goals for themselves and work hard to achieve them are but a few of the strengths women draw on each problem they encounter, and building social supports through friends and spiritual communities (Banyard, 1995). The words of women interviewed during my own research exemplify these strategies through their observations on the value of empowerment, social supports, and sheer persistence.

A recent qualitative study asked women involved in an advocacy program what was helpful to them (Goodman et al, under review). Women noted the importance of being listened to and respected as collaborators in relationships with the service providers helping them cope with an array of stressors in their lives.

Understanding women’s strengths is also an important starting place for designing effective and meaningful policies and programs in communities to help them. Knowledge gained from a more comprehensive approach to studying women in poverty—the approach exemplified in this paper—can lead to policies that help these women build on their existing abilities, goals and strengths. It shifts the paradigm away from approaching the problem of women in poverty as one of reforming deviant individuals to one of changing communities (Banyard & Graham-Bermann, 1995). For example, if we assume that women in poverty are lazy and unmotivated (common stereotypes), we are likely to design policies that focus exclusively on giving them, as individuals, penalties for not finding a job. If we, on the other hand, assume that many women possess the desire to make a better life for themselves and their families and listen to their stories of how hard it is to feed and house a family on minimum wage or to find affordable childcare, then we design policies which encourage work by supporting a living wage and educational opportunities for low-income workers and increasing accessible, affordable childcare for their children. The causes of poverty ultimately are complex, as are the solutions that are needed. But part of the solution begins by assuming that low-income women themselves have something important to say about the problem and its amelioration.

Indeed, listening to individual stories may facilitate this paradigm change by helping communities better define and build contexts that women can experience as empowering. One participant in a comprehensive advocacy program noted the value of a collaborative advocacy relationship this way. “I recognize that there are structural things that go on in people’s lives that make it so people feel like they have no power.... In some ways, you have to be able to get those structures to work for you in order to have power over your own life. [Advocacy]...is definitely gonna help get you there.” Yet another woman, struggling with both poverty and depression, draws on lessons from her life and work with community advocacy to describe the need for communities that take women’s strengths into account:
To be, feel empowered, you have to know that you deserve help, you have to know where, how to ask, who to ask, where to get help, you have to get help that you need, and get your needs met and then you have to be able to come back and help other people too, and because when you live in a community where you’re surrounded by other people who are struggling just like you are...and you figure out how to work the system and you have the power to then go show other people down the road...the process of empowerment comes back to the idea of shared power and collective power...you feel like people are actually hearing your voice because it’s a collective, it’s part of a collective voice.

The challenge as we read these words is to consider how we create communities that build on the clear strengths that women have, to create the conditions for the empowerment they seek. The words of the women we have heard in this paper—women who are a key part of our own communities as neighbors, sisters, and mothers—remind us that they are not the “other”. They are all of us. They have challenges, but also the strength to seize opportunities. Their words force us to ask why negative stereotypes of low income women and families persist and what each of us plans to do to take action for change—to move beyond the stereotypes and on to real solutions to the Poverty and Wealth Divide. One important place to start is engaging in the important academic discussions about research and policy that are part of this Discovery dialogue series. But we must then put the knowledge we gain to use—re-thinking and challenging our own assumptions about women in poverty and finding ways to make our own voices heard in our communities and in wider policy discussions on these issues.

References


The Vicious Cycle:
Poor Children, Risky Lives

Bruce L. Mallory
Education Department
Provost and Executive Vice President

At first blush, New Hampshire would seem to be a great place for children, parents, and families, and in many ways it is. The state is typically ranked among the most affluent, most healthy, least crowded, most scenic, and most educated of all states in the nation. The average per capita income in New Hampshire has consistently been in the top ten. In the first half of this decade, New Hampshire was ranked first among all states for quality of life for children every year but one, when it was ranked second. In 2005, New Hampshire and Maryland had the lowest child poverty rates1 (10 percent compared to a national average of 18 percent; notably, one-third of all children in the nation’s capital live in poverty). One-quarter of New Hampshire children live in a home where neither parent has a full-time job (that number is almost twice as high in Mississippi, Louisiana, Alaska, and Washington, DC). There are fewer dropouts from New Hampshire high schools than in most other states, and we generally live longer in New Hampshire than in other states.

Yet these aggregate figures belie the complexities of many children’s lives in the Granite State and mask significant variations in child well-being across specific New Hampshire communities. As well, recent trends are especially of concern. Between 2000 and 2006, New Hampshire’s child poverty rate increased (got worse) by 67 percent; the national increase during this time was about 8 percent. The childhood poverty rate grew much faster than the adult poverty rate in New Hampshire. In Coos, Carroll, Sullivan, Belknap and Cheshire counties, children are much more likely to live in families with lower incomes than those in Rockingham and Hillsboro counties. As a whole, about 18 percent of all children in the state are eligible to receive a free or reduced price lunch at school (a reasonable proxy for overall community economic status). But almost all (83 percent) of children at one Manchester elementary school are eligible, two-thirds of children at a Rochester elementary school are eligible, and over half of the children in schools in Laconia, Nashua, Claremont, Conway, Franklin, and Berlin, and many smaller north country towns qualify for these subsidized meals. In fact, New Hampshire may not be such a great place to live for many children, especially those whose families live in regions of the state with high unemployment and where social supports are not easily available (in both dense urban and sparse rural neighborhoods). Compared to children living in our most affluent communities, children living in the poorest 20 percent of towns and cities in NH are five times more likely to have not had access to prenatal care, have a mother without a high school education, and be eligible for free or reduced-price lunches. Children in the poorest communities are also twice as likely to score below the basic (lowest) level of the NH educational assessment program.3

This essay explores the greater risks that children living in poverty face for developmental and educational challenges, which in turn make them less likely to be economically successful as adults. In New Hampshire as in other states (and nations), children who grow up in conditions of economic scarcity are significantly more likely to experience pre-, peri-, and post-natal complications that lead to developmental problems. To this extent that those early problems are not mitigated through effective support of the child and family, they can become the precursors to varying types and degrees of cognitive, social, motor, and behavioral impairments. Developmental impairments that are the result of early childhood poverty may occur in children who would

---

1 Data and rankings are from the Anne E. Casey Foundation, http://www.aecf.org/.
2 The federal poverty definition consists of a series of thresholds based on family size and composition. In 2008, the poverty threshold for a family of two adults and two children is $21,200.
3 State data are from Kids Count NH Data Book, 2007 (http://www.childrennh.org/web/PDF/NHKCEntireBookFinal.pdf)
otherwise be healthy and wise but lack access to such basics as stable and warm housing, a steady and nutritious diet, adequate clothing, and tools for learning such as books, computers, or trips to Boston. In short, this essay explores the vicious cycle of poverty, early childhood impairment, and later disability, both in general and in the particular context of an affluent state that has some of the wealthiest and poorest communities in the country.

The Vicious Cycle, Part I

The most powerful predictors for early childhood poverty and related developmental problems are the educational level of a child’s parents and the child’s race. Failure to complete high school is almost always associated with lower wages and more frequent periods of unemployment, greater job instability, lack of access to health insurance, and less contact with social support systems that could mitigate some of these challenges. Under educated parents also may have more difficulty carrying out their parenting responsibilities due to lack of knowledge about child development, the daily demands of coping with poverty, and their own health problems resulting from poor diets or housing. In this sense, some children find themselves at risk as early as the point of conception if their parents are under educated, poorly nourished, and not in the regular care of a physician. If, as happens in one out of every ten births, the mother is less than 20 years old, her child will have a 70 percent chance of living in poverty. If a child is born to African American parents, she will have a 44 percent chance of living in poverty in the United States (compared to a 37 percent chance for Hispanic children and a 14 percent chance for Caucasian children).

During pregnancy and in the period of labor and immediately after birth, conditions associated with poverty can be a direct threat to the fetus and newborn as well as the mother. Pregnant women living in poverty are significantly more likely to give birth prematurely and to give birth to children who are below their expected full-term weight. Premature and low birth weight babies are in turn more likely to have respiratory problems because of underdeveloped lung function and capacity. Respiratory problems that are present at birth or soon after reduce oxygen flow to the brain, affecting the cerebellum as well as cerebral cortex. Damage to the former caused by oxygen deprivation leads to motor impairments that may be diagnosed as cerebral palsy, with varying degrees of severity and consequence for movement as well as speech production. Damage to the cortical parts of the brain can affect cognitive functioning, sensory processing (auditory, visual, spatial), language processing, and social skills. As well as these peri- and post-natal threats, children born into poverty are more likely to be exposed to environmental conditions that threaten development, including the presence of lead paint and other heavy metals in the soil and air, greater incidence of asthma in polluted urban environments, higher frequency of upper respiratory and middle ear infections (associated with under heated, drafty homes and resulting in chronic hearing impairments), and dietary problems including childhood diabetes and diarrhea from tainted water sources. If a newborn is confronted with these kinds of challenges in the first weeks and months of life, and he lives in a family with few material resources and inadequate health care or other social supports, he is more likely to experience developmental delays or disabilities as he grows older.

The Vicious Cycle, part II

As our newborn grows during the first years of life—becoming a toddler and then moving out into the neighborhood, perhaps into out-of-home child care, and eventually into kindergarten and elementary school—the social conditions in which she lives will interact profoundly with the capacities that she had at birth and has acquired since then. She will learn especially from the adults in her life. If those adults are stressed or depressed because they are in low-wage, unstable jobs that do not include health insurance, if they do not know about the importance of preventive care, good diet and exercise, or the importance of early literacy for young children, a child who may have experienced modest complications of pregnancy or birth is at increased risk for further compromises in her development. She may demonstrate delayed language acquisition (critical for expanded vocabulary and social relationships), poor motor skills (necessary for early drawing and writing), or difficulties in attending to complex tasks.

These potential delays or disabilities will be expressed just at the time that formal classroom settings expect the skills necessary for early academic achievement. Listening to and following directions, sitting still for increasingly long periods of time, making new friends at school and in the community, acquiring literacy and numeracy, memorizing facts, learning the routines of the school day—all of these complex demands of formal schooling become that much harder when a child’s early development has been placed at risk due to the disadvantages associated with poverty. If the teachers who work with such children are not prepared to identify early learning problems, or if such teachers simply have
too many demands in the course of a day to attend to individual needs, the child’s challenges may be exacerbated by behavioral problems related to communication difficulties, social ostracism or teasing, and feelings of incompetence.

The Vicious Cycle, part III

Children who are both poor and experiencing developmental or learning disabilities are at least twice as likely to drop out of school before graduation than those in the general population. In fact, the presence of a diagnosed disability is the single strongest predictor of high school drop-out rates. Young adults without a high school education earn about one-third annually compared to those with a baccalaureate degree (averaged across all ethnicities; the ratio is closer to one-fourth for African Americans). Poverty, especially as a contributor to developmental problems in childhood, too often begets poverty, and in turn, greater risk for disability in the next generation. The point is that there are strong and consequential correlations among family income, early childhood development, academic achievement, ethnicity, and lifelong earnings.

A Note of Caution and a Note of Hope

This essay has presented generalizations founded in decades of empirical research. However, it would be wrong to conclude that all children born into poverty experience significant learning or developmental problems, and even more incorrect to conclude that childhood disability is a singular cause of later poverty. The variables discussed here are correlated, but that does not mean that one necessarily causes another. The probability of early disability is increased measurably by low family income, but it is not at all guaranteed. Race, place of residence, parental education levels, and access to teachers and other adults who can provide expert and caring support all make a difference.

In recent years, there has been a critical body of research on childhood resiliency. Here, the focus is on those children who grow up in economically and socially compromised conditions but who turn out to thrive in spite of those conditions. The most important contributors to such resiliency seem to be strong and stable kinship networks; the presence of at least one adult who provides continual care, attention, and guidance to a child; and access to basic social, educational, and health services. In addition, we know that high quality early education, effective elementary and secondary schools, stable employment for parents that includes health insurance benefits, and social policies including lead paint prohibitions, early intervention for children with disabilities, drop out prevention programs, and living wage requirements all can prevent the vicious cycle. In fact, there are many students at the University of New Hampshire and other universities who faced less than optimal economic conditions as children yet are now succeeding in higher education. A combination of talent, social support, and hard work has made it possible for these students to thrive against difficult odds.

There are two important points here. First, poverty is a preventable condition. There are many examples of social and economic policies in other industrialized countries in which childhood poverty rates are considerably lower than those in the US. We do not have to accept poverty as a necessary condition of industrial or post-industrial societies. Second, following from the first, childhood disability caused by the conditions of poverty is preventable. This is demonstrated clearly when we compare rates of disability in poor vs. affluent communities; that is, when we pay attention to the “growing divide.”

So we are left with a series of questions to ponder. If we know these things, why don’t we act more aggressively and systematically to practice them? If as a society we dedicated ourselves to reducing the incidence of poverty, what affect could that have on the incidence of childhood disability, academic failure, and disparities in lifelong earnings? To the extent that there is a growing divide between rich and poor in America, couldn’t that be mitigated significantly by assuring that all children, regardless of ability, race, and family income have the best possible early, elementary, and secondary education as well as access to higher education? As I write these lines on July 4, 2008, I wonder ultimately why we can’t re dedicate ourselves to the ideals of life, liberty, and the pursuit of happiness for all of those who live among us. An increasingly divided nation does not move us toward the more perfect union that our Constitution envisons.
Perspectives about Occupational Justice

Can Poverty and Occupational Deprivation Influence Child Development?

BARBARA PRUDHOMME WHITE, PhD, OTR/L
SAJAY ARTHANAT, PhD, OTR/L
ELIZABETH B. CREPEAU, PhD, FAOTA, OTR/L

This paper is concerned with the interrelation between poverty and occupational deprivation. These terms and the relations between them are complex and contextually bound. However, an understanding of the transactions between them offers a unique way of appreciating the long-term influences that poverty can have on the skills and competencies of individuals. To illustrate, we use the occupation of play as an example of how poverty can shape the developmental outcomes of children who are deprived of it, thus laying the foundation for potential skill deficits throughout their lifespan. During the course of this essay, we offer you some provocative questions to consider.

Poverty

Poverty is the state of not having enough resources to meet basic human needs such as adequate food, clothing, water, and housing in a particular time and place.1 Poverty also includes a limited amount of nonmaterial resources possessed by an individual such as emotional, mental, spiritual, and physical skills.2,3 Poverty leaves people feeling vulnerable to those in power with abundant resources, shame in their circumstances, anxiety about their families, and hopeless about changing their circumstances. While poverty may in some instances be considered a problem created by individual human behavior, more commonly forces beyond the individual in the social and political environment perpetuate socioeconomic inequities within society. Consequently, poverty must be addressed at both an individual and societal level. Poverty is a pervasive problem in the developing world with 218.7 million or 39% of children living in poverty.1 In comparison, 13 million or 17% of children in the United States live in families below the poverty level.5 While the number of children living in poverty is much lower in the United States, these children, like those in the developing world, experience the negative influence of poverty on the development of optimal human potential.2,4 Government programming such as access to clean water, health nutrition, education, family, and child development programs can do much to buffer the effects of poverty on the lives of children and their families. Adequate and just distribution of basic resources across a society can ameliorate the abject conditions of those living in impoverished circumstances and improve their chances for engaging in those activities or occupations that not only support their health and well being, but also establish a developmental foundation for future adult competency.6

Occupational Injustice and Deprivation

The term occupation has a much broader meaning than merely employment. Occupations include all of the ordinary things people do every day, from caring for themselves and their families, to their work, to their involvement in community life, and to their play and leisure activities.7 A lack of access to basic human occupations can lead to occupational deprivation, defined as “the prolonged preclusion from engagement in occupation of necessity and/or meaning due to factors that stand outside the control of the individual”8 (p-222). The term occupational deprivation, therefore, draws attention to the broad social and political forces that deprive people from engagement in meaningful activities due to circumstances beyond their control.9 These inequities when imposed upon individuals by external forces can be viewed as an occupational injustice, in that some members of society have greater privileges than others and more freedom to engage in the basic everyday activities or occupations of their choice.10

The Perspective of Play

A startling example of occupational deprivation that can have far reaching consequences is that of play deprivation in children. Play is defined as a self-initiated behavior with purposes that include exploration, enjoyment, and learning.10,11 Play is observed universally; crossing all human cultures,9,12 and
indeed, is also observed in other species. Play, in different forms, can be observed as solitary, with peers, with older or younger children, with parents, or with other adults. Play has forms that use objects or toys, but some forms may transcend them; the only absolute regarding play is that it is self-directed, enjoyable, and has some inherent meaning. As a universal, purposeful behavior, play can also be considered a human occupation and like other occupations, play can stimulate and support optimal human development. Forms of play often have cultural norms and may look quite different in diverse contexts. For example, Mayan children in Belize do not engage in play in the same way that middle class children do in the US. They often have no toys and are busy helping with family chores such as cleaning the floor, washing clothes, etc. before they are 5 years old. However, while engaging in these activities they do so in a playful manner that contains elements of play such as self-direction, enjoyment, and meaningfulness. Thus, poverty itself may not always restrict participation of play.

On the other hand, poverty may jeopardize children’s nutrition to the extent that they no longer have any energy to engage in play. Furthermore, poverty may require children to enter the workforce at a young age. In both instances, poverty may have imposed a form of occupational deprivation by constricting choices in occupations that are atypical for age and culture. Similarly, we can also define play deprivation as an occupational injustice that should be addressed through political means in order to assure more adequate distribution of basic opportunities within cultural experiences across a society. Play in childhood has special meaning because it is one of the most pervasive ways in which a child engages with his/her environment. Indeed, children, when given freedom to express themselves, often participate in play or playful behavior when they are engaged in some other form of activity such as eating, dressing, or a structured task like school work or household chores. Thus, play and playfulness set the tone for many of a child’s transactions with objects and people in his/her environment.

In early childhood, the brain and body are under construction; both do not mature in optimal ways without rich environmental experiences and sufficient nutrition. Play that offers curious exploration of objects and things in the environment enriches and enhances early brain development including neuronal differentiation, or the increase of interconnections between neurons in the brain. An increased number of interconnections in the brain supports more sophisticated cognitive and movement abilities, and is associated with optimal developmental outcomes. Meaningful play also reinforces environmental learning which further strengthens key neuronal interconnections while eliminating others. This neuronal pruning is also a way that the brain becomes more efficient, and can only happen during childhood when the brain is shaping itself in response to environmental interactions. So, in other words, what looks like block building and a simple game of hide and seek in childhood, are really part of the human occupational experience that contributes to later skills in adulthood.

Given the importance of play occupations in development, what might be the implications of not being able to participate in play? And under what other conditions might play be restricted? We argue that under certain conditions of poverty, children may be occupationally deprived in play and that this deprivation can have long-lasting effects for later life. We offer three scenarios to illustrate this point.

**Scenario One: Access to Safe Play Area**

“He keeps gazing through the window wondering why he can’t be at the playground.”

Jerome’s mother describes her fear of letting her son play with his peers in the nearby park in the wake of a recent spate in drug trading and gang violence. Jerome is an eight-year-old boy who lives in low-income housing in an inner city neighborhood of Detroit. Because he can’t play outside, Jerome has resorted to watching TV and playing video games within the confines of his home. Children’s engagement in outdoor play such as in public parks has a positive impact on their development of key physical attributes such as strength, endurance, motor skills and coordination. At the same time, children in low income families who in effect live in predominantly unsafe neighborhoods are naturally restricted by their parents from playing outdoors. Studies have revealed that parents who perceived their neighborhoods to be unsafe for playing were four times more likely to have children who were obese and unhealthy. However, the creation of safe play areas for low income children in inner cities has resulted in notable increases in children’s physical play combined with a decrease in sedentary activities. What do you think are some of the short-term and long-term developmental implications for children deprived of outdoor play? As concerned citizens, what are some of our social responsibilities in helping create an atmosphere for safe outdoor play?
Scenario Two: Lack of Opportunity for Play

“My brother does the same, why can’t I? We both keep our farm running.”

Raj, a 10 year old child in rural India, was forced to leave school and now toils in the field with his brother. A year ago, his father committed suicide because he could not handle the burden of an agricultural debt. Raj used to value the time spent playing in the fields, but he acknowledges his pride about being the breadwinner for his family. One of the core factors of play deprivation in the wake of poverty is simply the lack of choice or opportunity. There is an anonymous saying that “labor ends at the time of child birth.” For many children across the globe, a different form of labor dawns on them. Millions of children between the ages of 5 and 14 years, predominantly in the developing nations of Africa, Asia and South America, are forced into menial labor under inhumane and adverse conditions. These children at their prime age of play are driven by survival instincts to contribute to their household income, thereby sacrificing their opportunities to play. Their family in turn would likely consider play as an unreasonable and unaffordable luxury or commodity.\(^{20}\)

Regardless of the economic and familial dynamics of child labor, the ramifications on play behavior and child development can be detrimental. What may be the socio-emotional consequences of foregoing play in one’s childhood? How does forced labor strip children of their playfulness and how might it affect their personality, intellect and future outlook?

Scenario 3: Parenting Skills in Play

“She’s a blob...I don’t even know what to say to her. I can’t wait for her to do more than just make goo-goo noises and stare at me.”

Rosemary gave birth 3 months ago to Ocean, a little girl who was born thin and frail, probably due to her mother’s smoking during the pregnancy. Rosemary is a single mother who dropped out of high school when she was 16 years old. Rosemary lived below the poverty level, has little contact with her own family and has no good role models for how to raise a child. As a result, Rosemary does not know how to or understand why she should engage her baby in vocal and social play and at the moment finds no joy in motherhood. Second to early nutrition, the quality of the care-giving environment has the most critical impact on child outcomes.\(^{4, 21}\) Furthermore, maternal education is closely linked to memory and intellectual capacities in young children\(^{22}\) as well as early language skills.\(^{23}\) As a result, children who are born to parents who interact minimally with them are at a disadvantage from the beginning and are, in a sense, deprived of many of the rich and playful interpersonal occupations of early childhood. What other developmental implications might Rosemary’s lack of parenting skills have for Ocean? What kind of programs would help Rosemary to develop more effective parenting skills? Are you aware of resources that could help this mother?

Conclusion

In this paper we described the concepts of occupation, occupational deprivation and justice/injustice and linked these to poverty. We discussed how play deprivation, one form of occupational injustice, could affect the life trajectory of individuals by impairing the early childhood development in mind and body. We presented three scenarios to help illustrate our point. We offer you the challenge to consider other occupations that might be affected by poverty at any time over an individual’s lifespan. How might other forms of occupational deprivation affect human beings?
References


Poverty and Plenty: The Divided American Plate

JOANNE BURKE
Nutritional Science Program

"Poverty manifests itself differently in different places, but it is universally difficult and unappealing to those who must live with it every day."

Overview

You’re poor, hungry, and not alone. Your Food Stamp benefits translate into some food on your plate the first two weeks of the month, but an empty plate the last two. In America, the top 1% of households holds thirty percent of the nation’s wealth, while the bottom 40% hold less than one percent. The number of Americans earning wages that don’t cover basic living expenses is increasing. In 2007, 36.5 million Americans (12.3%) were marginalized by poverty. This equals the entire populations of the six New England states, plus New York, Delaware, West Virginia, and half the District of Columbia. Economic, social, political, community and individual policies and practices contribute to the widening chasm between poverty and plenty. Tax breaks given to the wealthy translate into more tax burden for the remainder of workers. Being poor in America limits one’s ability to purchase healthy foods. Even with foods stamps or pay check funds, there are fewer full service grocery stores in low-income neighborhoods. This paper considers poverty, food insecurity and food price trends, major factors contributing to the growing poverty and wealth divide, as well as strategies to address food insecurity.

Scope of the Problem

Federal agencies use two official tools to describe poverty. ‘Poverty thresholds’ are the original measure of poverty. The Census Bureau uses these for statistical reporting. The ‘poverty guidelines, based on the thresholds, are issued by Health and Human Services (HHS). For a family of four in 2007, the annual poverty threshold was $21,027.00; the poverty guideline was $20,065. However, many costs incurred by families today are not factored into either measure. Most families today depend on driving their own cars to work, and those with young children often face child care costs. Employees are also expected to contribute a greater share of their income for health insurance. All of these factors contribute to less disposable income available for food purchases. The number of the very poor who are below 50% of the poverty guideline (extreme poverty) is at the highest level on record since data first became available (Table 1). Low-income (typically considered equal to 200% of poverty level) is a better indicator of overall economic and nutrition risk. This includes one third of all Americans (90 million) including 40% of all children.
Poverty Wage, Minimum Wage, Livable Wage and Food Insecurity

The poverty wage is calculated based on its ability to lift a person or household above poverty. Using the 2007 poverty guideline, a sole provider of a family of four would need to earn $9.92/hour. Close to 25% of Americans are employed in jobs that will not lift a family out of poverty.

The minimum wage is the lowest hourly rate permitted that an employee performing a particular job can be paid without the employer breaking federal law. Though many are covered by minimum wage, most farm laborers and seasonal migrant workers are not. The minimum wage was raised from $5.15/hr to $5.85 in July of 2007; additional increases for July 2008 ($6.55) and July 2009 ($7.25) are planned. As of July 2008, a full-time minimum wage worker will earn $13,624/year (based on 2080 hours), before taxes.

Livable wages more fully represent the typical costs incurred by individuals and families. The Poverty in America ‘living wage calculator’ estimates costs of living for each state and county. In 2006, the New Hampshire Basic Needs and Livable Wages study presented data estimates for NH, and compared it to other regions of New England; livable wage estimates were nearly double the 2008 minimum wage.

Recently, USDA announced new terms to describe the continuum of food security: high food security (complete adequacy), marginal food security, low food security and very low food security (formerly called hunger). The term “hunger” has been eliminated, but not the problem.

Income and Tax Inequality

Income and tax differentials significantly impact every American. Income inequality is escalating. American households are divided into quintiles; those in the lowest 20% had average annual incomes of $15,300.00, those in the highest quintile averaged annual incomes of $172,200 (Table 2). After adjusting for inflation, from 1979 to 2005, income in the lowest fifth of households rose by 6%, while those at the top fifth saw incomes rise by 80%; those at the very top 1% realized household income increases of 228%.

The very wealthy also enjoyed the most favorable tax breaks.

American Populations at Risk of Poverty

More whites live in poverty than any other population group. However, based on percent of the population, single women and children, Blacks, ethnic minorities, and those with limited education are at greater risk than the general population. In 2006, 28.3% female-headed families (4.1 million families) were in poverty, compared to 4.5% of married-couple families (2.9 million families). The Southern part of the US has the highest number of residents living in poverty when compared to other regions.

Food Price Increases and Impact on the Population

Globally, food prices are escalating at unprecedented rates. According to the USDA, food prices rose in the US an average of 4% in 2007; increases of 4.5 to 5.5 are expected in 2008. Others predict rises of closer to 8-9%. Major reasons for surging food costs are higher US farm commodity prices and staggering increases in energy costs. Increased global need for US crops used for food and fuel have served to dramatically increase national and international food prices. The Congressional Record report suggests global demand for US farm commodities are due to five major factors, including:

1) increased diversion of corn as an ethanol source instead of a food source;
2) globally, oil and grain production were diminished due to poor weather conditions;
3) the falling exchange rate for the US dollar has made US crops more attractive to other import markets;
4) rising incomes and standards of living have created a greater demand for foods;

Table 2: Change in Average Real After-tax Income 1979-2005

<table>
<thead>
<tr>
<th>Quintile</th>
<th>Average 2005 Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bottom 5th</td>
<td>$15,300</td>
</tr>
<tr>
<td>Second 5th</td>
<td>$33,700</td>
</tr>
<tr>
<td>Middle 5th</td>
<td>$50,200</td>
</tr>
<tr>
<td>Fourth 5th</td>
<td>$70,300</td>
</tr>
<tr>
<td>Top 5th</td>
<td>$172,200</td>
</tr>
<tr>
<td>Top 1%</td>
<td>$1,071,500</td>
</tr>
</tbody>
</table>

Source: Congressional Budget Office
5) the cost of the inputs used in growing crops has also increased.14

In the US, most commodity funding goes to large farms or corporations.17 Additionally, price supports undermine global agricultural capacity and farming economies and put environmental pressures on fragile farmlands both nationally and internationally.15, 18 Record energy prices impact transportation, fertilizer, processing, production and retail costs.

**Food Assistance: Public and Private**

Federal nutrition programs serve about one in five Americans.19 For eligibility, annual gross income can not exceed 130% for Food Stamps or 185% for WIC of the poverty guideline. The average Food Stamp benefit is only about $3.15/day/person.19 Though marketed as the federally sponsored ‘food and nutrition safety net’ stringent eligibility criteria and low reimbursement rates mean many working-poor Americans either do not qualify, or receive minimal benefits, from these programs. The US government food and nutrition assistance programs include multiple national programs such as Food Stamps, the Women’s, Infants and Children (WIC) program, and National School Breakfast and School Lunch Programs and Farmers Market Programs.

**Increased Demands for Private Assistance**

Many non-federally mandated programs exist in addition to federal or state initiatives. Selected anti-hunger and poverty programs include Share our Strength, America’s Second Harvest, Catholic Charities, Bread for the World, Oxfam America, and the Food Research and Action Center but are just a few of many organizations attempting to address food insecurity. America’s Second Harvest estimates that over 25 million Americans were served by food banks in 2007.20 Catholic Charities reports a 12% increase in food services between 2005 and 2006, serving more than 6.3 million; those receiving food services increased by nearly 60% between 2002 and 2006.7

By the middle of the month, as food stamp benefits expire, many low income families turn to area food banks, soup kitchens and pantries. Community agencies, churches, and public/private partnerships form a patchwork of assistance. Many try to provide healthy food, but are not in control of the types or amount of food that is available, have limited hours of operation and variable capacities to store perishable food items. Food may be donated, but is it contributing to a healthy diet? The growing rates of obesity among low income individuals speak to the hazards of overconsumption of cheap, high fat, high calorie foods.

**Recommendations:**

Just providing more food assistance funding does not address income and educational inequality, concentration in the food industry, and reliance on foods grown distances from consumption that are some of the major force fueling food insecurity. ‘Business as usual’ is not an option if we are to devise long term solutions to food inequality. The root causes must be addressed. The Food and Agricultural Organization recently called an emergency food meeting to consider global systematic problems and solutions for the worldwide food crisis.15 The Center for American Progress Task Force on Poverty report provides a twelve step plan to reduce American poverty in half by 2010. Strategies include policies and programs designed to promote equitable wages, establish more fair tax programs, promote unionization, address child care, promote affordable and accessible education, encourage work mentorship and provide housing vouchers.8 Bread for the World proposes four strategies to create systematic solutions:

1) Set a national goal to cut hunger and poverty in half by 2015;
2) Make every job a good job;
3) Strengthen work-support programs; and
4) Create incentives to save and build assets.1

In the introduction to Slow Food Nation: Why our foods should be good, clean and fair, Carlo Petrini suggests that even though we are each only given a limited time on this earth, we can (albeit must) contribute to the building of local agricultural systems designed to promote better access to food, healthy environments, food enjoyment, and the promotion of sustainable food systems.21 As a founding partner of the international “Slow Food” movement, he calls upon each of us to make our local and regional food systems more “good, clean and fair.” Working systematically and applying sustainable and ethical principles, there is the opportunity to minimize the great American and global dinner plate divide.

What will each of us do to make this difference? At UNH, students and staff have many opportunities to take meaningful steps that are designed to provide both short and long term solutions. Below are select examples for student involvement. The Student Nutrition Association welcomes all students to participate into their organization. For the past three years, they have worked
with Nutrition faculty, Health Services’ dietitians and peer leaders to promote the fall food drive. Donations help to support the statewide outreach of the NH Food Bank as well as the local Cornucopia Food Pantry. Members of the T-School gather donations to make food baskets for those in need. UNH is home to the first Organic Dairy Research Farm that provides opportunities for students and staff to evaluate best practices in sustainable farming. The student Organic Farming Club promotes sustainable agricultural practices while teaching club members environmentally friendly farming practices. The club members’ commitment to share their food via monthly community dinners gives students a chance to share their harvest with those that are less fortunate. Meanwhile, the newly formed Slow Food Club and Oxfam UNH are additional opportunities for students to take steps that promote long term food and agriculture solutions. The newly approved Eco-Gastronomy Dual Major provides students with a formal way to provide a systems approach to farm, food access, environmentally friendly and sustainable food practices. During 2008–2009, we will be inviting community members to participate in the “Food Stamp Challenge”. Participants will be asked to live for a week on the typical American daily food stamp reimbursement. This challenge is designed to bring attention to the inherent limits of food assistance. It will also call attention to the need for livable wages. It is not enough to acknowledge there are differences between those who are poor and those who are wealthy; working toward long term solutions empowers each of us to make a difference. What will you do?

References:


17. Oxfam America, Fairness in the Fields. 2006, Boston [accessed 06/08/08] www.oxfamamerica.org:


Owning Your Own Home: Reality or Myth

Robert M. Henry, PhD, PE
Civil Engineering Department
Associate Dean

Charles H. Goodspeed
Civil Engineering Department

Introduction

- Banks may lose $325 billion over mortgages
- Housing Meltdown—home ownership drops from peak
- First-time home buyers struggle to find down-payment money
- California prices could plunge 35%, costing $2.6 trillion in lost wealth

With the above headlines in the news every day, one begins to wonder whether the ability to obtain the American Dream—the power to own a home—is real or a myth. The term, The American Dream, was first used by James Truslow Adams in his 1931 The Epic of America. He states:

The American Dream is "that dream of a land in which life should be better and richer and fuller for everyone, with opportunity for each according to ability or achievement." 1

Owning a home, while not explicitly part of the original statement, has always been considered to be part of The American Dream. Researchers have attributed many positive values to homeownership:

- Homeownership may have positive effects on family life. Owning a home contributes to household stability, social involvement, environmental awareness, local political participation and activism, good health, low crime, and beneficial neighborhood characteristics.
- Homeowners are better citizens, are healthier both physically and mentally, and have children who achieve more and are better behaved than those of renters. 2
- Homeownership in almost any neighborhood is found to benefit children. Children of most low-income renters would be better served by programs that help their families become homeowners in their current neighborhoods instead of helping them move to better neighborhoods while remaining renters. 3
- Homeownership leads to capital accumulation, promotes responsibility and improves one’s self-esteem, and increases neighborhood stability. 3
- Homeownership is a sign of maturity and success.

Based on the statements listed above it would be hard to argue with the concept that homeownership is an appropriate desire for everyone. Here is some data about homeownership rates in the US:

- The national high point of a 69.0% homeownership rate in 2004 has been decreasing since and is at 67.8% for the first quarter of 2008. [8]
- The Midwest has the highest homeownership rate (73.8% in 2004) and has been decreasing since (now at 72%). [8]
- The highest homeownership rates occur in the suburbs and non-metropolitan areas. [8]
- Homeownership rates in the US are similar to the rates in other parts of the world (based on 2002 figures) - UK, 69% - Israel, 71% - Canada, 67% - Germany, 43% - Spain, 82%. [9]

Looking at the data provided above one might say that the Dream is within reach of every American. At least 2/3 of Americans own their own home. This rate is on par, if not better than, most of the industrialized nations of the world.

So what are the housing challenges facing people in the United States today? Is the opportunity to own one’s home available to all economic and ethnic groups? Is it becoming easier or harder for one to own their home? This paper will discuss a couple of the challenges associated with homeownership that face people in the New England region and in the United States.
Challenge 1—Affordability

Does everyone in the United States have the same opportunity or ability (meaning income and/or savings) to own a home? Some published data would indicate that they do not. The homeownership rates published in 2007 show that ability to own a home varied substantially for different ethnic groups; 75.2% for white (non-Hispanic), 49.7% for Hispanic/Latino and 47.2% for Blacks. In addition here are some other factors that can have a significant impact on the homeownership rate.

- Between the years 2000 to 2006 the median housing price in the United States increased 54.8% and in New Hampshire it increased approximately 90%. During the same period of time the median household income in the United States increased only 15.4% and in New Hampshire is increased only 20.7%.
- The cost of fuel oil has risen from approximately $1.00 in 2002 to over $4.50 in 2008. That is an increase of 450% in just 6 years. Using the median household income (gross income before taxes) in New Hampshire and if one used 1000 gallons, the cost of fuel oil would have been 1.7% of the median state income for the 2002-03 heating season and is estimated to be approximately 7.5% for the 2008-09 heating season.
- There are several other costs associated with homeownership which have increased significantly in the last decade; property tax, insurance, water tax, etc. According to the US Census Bureau, the typical monthly costs of owning a home in Portsmouth, NH increased 45% between 2000 and 2006. During the same period of time the median household income only increased by approximately 22%. For the State as a whole the typical monthly costs increased 39% while the median household income increased only 4%. Using the numbers for the State the reported typical monthly costs now represent approximately 34% of the reported median household income. This is above the recommended limit of 30%.
- Due to the significant recent decline in the housing market more people are able to afford a home, but only if they have enough savings and a strong credit rating.

Challenge 2—Financial downside to homeownership

As with any financial investment, there are always risks. Nothing is a sure thing, even though for years most people would say that owning a home is as close as it gets. Here are several drawbacks to homeownership, especially for low-income families.

- Homeownership is not an automatic hedge against rising housing costs or inflation.
  - In today’s real estate market most areas are experiencing significant de-valuation of the housing stock. The current market value of a home purchased since 2004 is likely less than the purchase price of the home.
  - If one purchases an older home, one can experience major unexpected costs due to the age and condition of the home.
- Low-income families can run into a range of pitfalls when they buy homes:
  - Often the house a low-income family can afford is in poor condition, with high maintenance costs.
  - The neighborhoods they can afford to buy in are often economically distressed meaning that the resale value of the house could easily be less than the purchase price.
  - The financing they can get often carries high interest rates, high fees, risky gimmicks (balloon mortgages, for example) and shady lending practices. The concept of sub-prime loans was to enable more people to purchase a home by providing them with mortgages that had low monthly payments for the first couple of years. This approach would only work if during the first couple of years:
    - The household income increased to a level that would support the long-term monthly mortgage payments once the sub-prime rate period is over (usually 2 years),
    - Mortgage interests rates dropped significantly so that families could refinance their home at a long-term rate they could afford, and
    - The value of their home increased and the housing market was strong so that families could sell their home if they were not able to afford the long-term mortgage rate.

Unfortunately in the last two years the housing bubble has burst and the US economy has slowed down. This has forced a significant number of people holding sub-prime loans had to default on their home mortgages.
Challenge 3—I do not want to be a homeowner

What about people who do not want to be homeowners? Should they be penalized for not wanting to reach for the “American Dream”? Who might these people be?

- Elderly: As one gets older, the physical demands of homeownership can become overwhelming. The responsibility of having to mow one’s lawn or shovel snow in the winter or just maintain the house is more than many elderly people wish to accept. While some elderly may stay in their houses by hiring help, hiring someone to do household chores is expensive and may not be feasible for many elderly homeowners on fixed incomes. Also, it is not that easy to find a neighborhood child that is willing to perform these chores for an affordable rate.

- People with careers that keep them on the go: Many careers require people to move around the country (and even the world) and owning a home can become a financial burden. The costs associated with having to buy and sell a home can quickly eliminate any profit realized by the increase in the market value if you keep your home for less than 2 years. In today’s market, even 2 years is not long enough to recover the costs.

Challenges—Cost to Tax Payers

- The United States government spends approximately $100 billion a year on tax breaks and program subsidies that encourage homeownership.

- It costs money (meaning tax dollars) to provide subsidy programs to assist low-income families in obtaining their own home.

All of these factors prompt one to ask:

- How much are we willing to spend to subsidize low income housing?
- Is it really an obligation of the state and federal governments to address this issue?

Final Statement

The idea behind this paper was to present information and facts related to a several key challenges related to the idea of homeownership in the United States. It is not the intent of the paper for the authors to provide solutions, but more to stimulate a conversation about these challenges. None of these challenges have a single solution. Any approach will typically be influenced by the age, economic position, race, gender, employment status and living location of the developer. We live in a global economy and so one never knows when some global event will significantly change all the parameters and rules.

References

In this paper I plan to ask some potentially disorienting questions about the relationship between poverty, money, and happiness. In short, I worry that thinking about poverty in a manner that over-emphasizes the importance of personal finances can lead to an over-simplified view that money equals well-being and that wealth should be measured in terms of private property rather than shared social goods.

The full extent of global poverty can be difficult to comprehend from our privileged perspective. According to a recent United Nations report, the top 1 percent of the world’s adult population owns about 40 percent of the world’s total net worth. The bottom half of the world’s population owns only 1.1 percent of the world’s wealth. To put this in perspective, in 2008-09 my base salary as an associate professor will be $68,430. According to figures provided by the World Bank, this places me in the top .86 percent of the world’s wealthiest people. For serving as a Discovery Author—which requires me to write this essay and participate in a few University events throughout the year, I was paid an additional $2,500. One requires only $2,138 in net worth to be counted among the wealthiest half of the world’s adult population. Approximately 2.7 billion people struggle to survive on less than $2 per day, which is about what I spend per diem to feed and care for my dog. These are grave statistics, and their numbers cannot adequately convey the extent of human suffering.

Here, however, a few questions arise that complicate beliefs that accumulation of personal wealth offers the most direct path to well-being. Those committed to economic justice, and I include myself here, can reinforce the view that money is the best measure of the value of one’s life when we advocate for raising the poor to the rich. We imply that if poverty equals suffering and unhappiness, then wealth equals happiness. It should not surprise us, therefore, when our students seem to worship money as a kind of god and view other sorts of value judgments as moralistic naïveté.

The belief that money equals happiness, however, is highly dubious. Social scientists have long doubted that increasing one’s wealth also increases one’s happiness once basic needs are met, and the cliché that money cannot buy happiness turn out to be more or less true. Why, then, are we so concerned with poverty? Many of us who are most troubled by economic injustice appreciate that a life driven by money is ultimately hollow and that it would seem especially unfortunate to “cure” local and global poverty by replacing it with the sorts of one-dimensional consumerist wealth that destroys both our spirits and our planet. If choosing between “living simply” and being “hyper-consumers,” the richer life may be the one that requires less money. In this spirit many religious traditions require vows of poverty as a means of achieving true wealth, glorifying material indigence as a kind of virtue.

This leads me to a rather confusing question: if we seek to raise the world’s poor out of poverty, is our ultimate goal to usher them into the “wealth” of American-style consumerism? There are good reasons to question this objective, ranging from the environmental consequences of 6 billion people living in 2500 square foot homes, driving automobiles, and eating meat at U.S rates to concerns regarding the homogenization of traditional ways of life into a global monoculture featuring the likes of Wal-Mart and McDonald’s.

Rather than simply equating poverty with an individual’s lack of money and wealth with an individual’s financial security, we might gain a clearer view of the relation between poverty, wealth, and happiness if think more broadly and pluralistically about our social goods.

My own situation provides a potentially interesting example. Before coming to UNH I worked as an attorney at a very large Manhattan law firm. If I had stayed there, I would now make approximately five times my current professor’s salary. Despite the precipitous decline in income, I am much happier here. I find this job more fulfilling, I have a great deal of freedom to structure my days in order to spend time with my family, I do not have to worry much about job security, and I take great pleasure in the many public natural resources available in the area such as the oceans, mountains, and lakes. For me, the lifestyle with the lower salary is much richer.
Notice, however, that even my base professor’s salary—without including my wife’s income or the various forms of additional compensation I receive—I am in the top .86 percent of the world’s richest people. With the law firm salary, I’d be in the top .001 percent. In either case, I am securely in the wealthiest one percent of the world’s population. We can often lose sight of the extent of our privilege over some 99% of the world’s population, instead coveting the lifestyles of the ultra-rich continually paraded before us in various forms of media.

There are many reasons why even the very rich focus on what they don’t have rather than what they do, including the incessant drumbeat of advertisements to make our lives better by buying something. Yet even if one considers oneself fairly immune to the lures of consumer culture, we still find ourselves within a social, political, and economic environment where so many goods necessary for flourishing are potentially out of reach for even the global rich.

Consider, for instance, a college education, which is increasingly considered an essential need rather than a luxury. According to conservative estimates such as those provided by Fidelity Investments, if a family with a one year old child in 2008 hoped to eventually send her to the University of New Hampshire the cost would be $279,256. In order to afford this, they would need to invest over $9,000 per year for the next eighteen years in a 529 College Savings Plan. Larger families may need to save more than $30,000 per year just to afford to send their children to a state university. This does not include the costs of education past an undergraduate degree, which may seem even more compulsory in the competitive global economy of 2030 and beyond.

Thus even though our salaries place us within the top one percent of the world’s richest people, it makes some sense that so many “middle class” Americans—I place this term in scare quotes because those who consider themselves middle class are very rich on the global scale—do not feel wealthy because we face considerable difficulty paying for basic goods such as education, health care, transportation, child care, elderly care, and even safe, nutritious, and sustainable food.

Because we are each left to solve so many of these problems on our own, we tend to think of this as an individual problem that can be solved by making more money. If only we have more personal wealth, we might think, we could afford better education, health care, and so on. We might work longer hours to make more money, but then face heightened anxieties regarding child-care while we work, transportation costs to commute to work, diminished leisure, and the physical and mental costs that accrue for the well-being of ourselves and our families.

Recent and soon-to-be college graduates face similar concerns, as they soon realize that the answer to the question of “what they will do with their life” is over-taken by the need to get a job that pays their student loans and provides health care benefits. Rather than setting off to follow their deepest passions, many of our most talented and driven graduates just need to get a job, whatever job, that best allows them to begin a life of paying off debt. Regardless of the high-minded values we hope to instill in our children and students, we can rarely be heard over the mantra of capitalism: Money Equals Happiness. These are also the concerns that lead me to wonder, on bad days, if it was a mistake to give up my law firm salary. Although I may love being a professor, will my children pay the price for my happiness if I cannot pay for their college tuition?

The absurdity of the world’s richest people feeling too poor to care for and educate themselves and their children provides an occasion to consider the possibility that collective goods, rather than individual finances, correlate more closely well being. Imagine, for instance, if the United States followed the examples of other wealthy nations and provided its people with socialized health care and university educations rather than allowing the best medical care and schooling to go to those with the most money. Imagine how much richer a police officer, a farmer, a nurse, a school teacher, and even a professor would feel if she knew that certain basic goods essential to her well being and that of her children did not depend on how much money she made. Imagine how many more graduates would pursue a life of passion and public service if they were not saddled with student loans, credit card debt, and the fear of losing their “benefits.” Imagine if we measured our wealth not by the square footage of our homes, the size of our lots, and the bottled water in our refrigerator, but instead by the quality of our public schools, the beauty of our community parks, and the purity of our water table.

Approximately six million children under five years old die from malnourishment each year, and my reflections about the relationship between money and happiness might seem like expressions of the guilt of someone with the luxury to worry about the side-effects of his affluence. Billions of people die from lack of money to buy food and medicine, and this incontrovertible fact can obscure all further discussions about the relationship between free markets and happiness.

We can note a few additional uncontroversial facts: Despite spending a far higher portion of our gross do-
mestic product on health care than any other nation, Americans can expect to die several years before their peers in wealthy nations with more socialized health care systems. Yet even though Americans live on average several years less than Japanese, Canadians, French, Chileans, Cubans and members of thirty-two other nations, this should not obscure that brutal fact that the average life expectancy of the richest nations are nearly double that of the poorest nations. Angolans, for example, can expect to die before their forty-third birthday.

In the modern world personal wealth is all too often a life and death matter. Once we look past the obvious, however, the relation between poverty, wealth, and happiness becomes quite complicated. We might first wonder if food, medicine, and education—the building blocks of all happiness—should be distributed according to personal wealth rather than by need. Treating the symptoms of poverty by attempting to increase the personal wealth of the poor may leave the underlying moral disease undiagnosed by ignoring the fundamental moral question regarding whether a person’s ability to pay should determine whether she lives or dies. We ignore these questions at the expense of not only global justice, but also the well-being of our communities, our families, and our selves.

References

1 What one means by “happiness” raises a rich set of interdisciplinary issues. For an overview of various philosophical approaches to these questions, see the bibliography and radio interview by Robert Solomon on Philosophy Talk, which is available here: http://www.philosophytalk.org/pastShows/Happiness.htm.


3 You can your calculate your own position by at www.globalrichlist.com. Notice that the United Nations University Discussion Paper provides different criteria for determining one’s statistical rankings.


7 This estimate is for non-resident tuition and presumes parents financing full costs. To estimate future costs at various institutions, visit the college planning calculator at http://personal.fidelity.com/planning/college/calculator_frame.shtm?refpr=colcp08.

8 If my wife and I hope to send my one year old son to Vassar College, our alma matter, we would need to invest almost $13,000 per year.


10 These statistics reading life expectancies are available in the United Nations’ “World Population Prospects: The 2006 Revisions,” which is available via:

Who Shall Assist the Poor? An Inquiry into the Role of Markets, Private Charity, and Government

Tom Birch
Economics Department, UNH-Manchester

Introduction

Adam Smith’s most famous book, The Wealth of Nations (1776), was an economic declaration of independence with its call for trade liberalization and free markets, but the book he wrote that was his personal favorite was a treatise on ethics and psychology titled A Theory of Moral Sentiments (1759). Both books address the problem of poverty and will be used here to investigate the role of markets, charity and government for assisting the poor.

Free Markets and Trade?

In The Wealth of Nations, Smith argued that free trade (domestic and international) would increase the general "opulence" or wealth of society (as measured by the amount of goods and services produced and available for consumption) because it allowed for a division of labor that tended to increase worker productivity and therefore income. Smith believed the benefits of economic growth due to specialization and trade would be dispersed widely across socioeconomic classes so that even the poorest members of the working class in a free market society would attain a level of consumption superior to that of the wealthiest king in a society where trade and the division of labor remained rudimentary. Adam Smith’s name is almost synonymous with a “free market” approach to creating wealth and reducing poverty, but he also advocated a variety of government interventions for improving both the economy and society including subsidies for education and investments in economic infrastructure such as transportation. Nevertheless, Smith’s idea of an “Invisible Hand” whereby individual pursuit of self-interest leads to widespread economic benefits inclusive of the poor was revolutionary in 1776 and continues to influence public policy today.

How effective is free trade in reducing poverty? A recent study focusing on the effect of international trade on poverty examined over twenty less developed (comparatively poor) countries where free trade policies have been enacted and international trade constituted a substantially growing portion of economic activity from the mid 1970s to the mid 1990s [Dollar and Kraay (2004)]. Designating these countries “globalizers,” the authors found that income growth among “globalizers” was substantially higher than “nonglobalizers.” Moreover, the authors found that the poor (defined as the bottom fifth of the nation’s population in terms of income) residing in globalizing nations on average benefited proportionately from national income growth.

These results provide support for the “free market” strategy for assisting the poor and the adage that “a rising tide lifts all boats.” However, upon closer inspection, the link between poverty reduction and an expanding market economy is not as simple as it might appear. To illustrate, consider the case of China, a country that has experienced dramatic economic growth since introducing free market reforms in the late 1970s. During the 1980s and 1990s, China’s annual rate of per capita income growth averaged 5.4%, but for the poorest fifth of the population the average rate of growth was only 3.8%, making them worse off relative to the rest of society. Why be concerned about a decline in relative income if the absolute income of the poor is rising on average? One reason is that increased income inequality may indicate people further removed from the social and economic mainstream whose capabilities remain untapped, as in the case of a family whose income is rising but is unable to gain access to electricity or who cannot afford housing where a job opportunity exists.

According to the “capabilities” approach pioneered by Nobel Prize winning economist Amartya Sen, poverty should measure a failure to provide resources and opportunities necessary for social participation, not simply measure deficiencies of income.

Also accompanying China’s free market reforms has been a phasing out of its social safety net, exposing certain groups to a greater risk of becoming or remaining poor. If average income is growing, but specific groups such as the elderly or children experience reductions in economic well-being or opportunities for self-development due to the removal of government subsidized housing, health care, education and other social support
services, how confident are we that poverty is being reduced? This concern, like the "capabilities" approach, focuses on the failure to provide specific resources that enable people to attain their potential (income earning or otherwise) or attain social norms of decency. Turning to the United States for a moment, if a single parent’s income rises as a result of taking a job, but the quality of child care declines (compromising the child’s education or health), is the family or nation richer or poorer? This issue is particularly relevant to the United States since earning more income can result in substantial declines in government assistance (for example, health care) for low income earners. The “benefit-reduction” experienced by low income earners amounts to a tax rate that often exceeds the income tax rates paid by those in the middle or upper class.

Private Charity?

What about private charity—that is, voluntary donations of time, money, goods and services—to assist the poor who because of unemployment, child care responsibilities, disability or illness are not part of a rising tide of income growth? In *A Theory of Moral Sentiments*, Smith asserted that individuals naturally tend to approve of wealth because of the pleasurable feelings associated with it, but poverty triggers social disapprobation because of the feelings of pain and discomfort associated with it. The result is that there is a tendency for the poor to conceal their condition (out of shame due to the disapprobation assigned to poverty) and for wealthier people to distance themselves from the poor and their problems. This creates what might be called an “Invisible Poor” problem because of social, psychological and geographic segregation between the “haves” and “have nots.” If we are isolated from the poor and their problems, how can we effectively address their needs? Free markets may create wealth as if by an invisible hand, but charity markets are hindered by invisibility on the demand side. Smith’s theory also suggests that potential donors (the supply side of the charity market) might favor donating to causes with pleasing associations or which bring the donor more social acclaim than assisting the poor.

An aversion to the poor and their problems might be overcome by cultivating what Smith called “fellow-feeling” or adopting the perspective of an “impartial spectator” whose judgment is not influenced by self-promotion prejudicial to the poor. But how is this moral development to occur, particularly in a society where pursuit of self-interest (not altruism) is presumed to solve the problem of poverty? Also, developing empathy for the poor partly depends on sharing their experiences of hardship, something that historical patterns of social, economic and geographic segregation may prevent. It is also worth noting that the social disapprobation and shame associated with being poor depends on relative as well as absolute income. The inability to purchase the latest mainstream product of the consumer culture (cellphone or laptop) may reduce an individual’s opportunities for social interaction and contribute to social isolation and neglect.

**Government?**

Because of moral or market failure, is there a collective responsibility to assist the poor through governmental institutions and policies? One case for government intervention rests on the fact that poverty rates are highly correlated with unemployment. Unemployment is a problem that arises within market economies due to a variety of factors, including dislocations caused by technological change and new patterns of international trade. Unemployment also comes about when, as during the Great Depression, total employment and production fell drastically. Government policies that provide education and retraining opportunities for the jobless can reduce the incidence of poverty as can tax cuts or increases in government spending to stimulate the overall economy. Probably the single most effective protection against poverty in a market economy is providing employment for those able to work, but government intervention may be required.

Another case for government assistance to the poor stems from the fact that reducing poverty has the characteristics of a “public good.” Unlike a “private good” where the benefits are confined to the individual using or receiving it (like eating an apple), the benefits of a public good are “nonexcludable,” meaning that society at large shares in the benefits of a public good once it is provided. National defense is an example of a public good provided by government, but reducing poverty also has public good characteristics. For example, large numbers of people may benefit from a transfer of income to the poor because they naturally approve of acts of generosity that exhibit kindness and reduce hardship. Providing specific goods such as education and health care to the poor also benefits society at large when it reduces crime and increases the population of workers who pay taxes. However, if helping the poor has spillover benefits to society, then local communities (and individual taxpayers and potential donors) have an incentive to wait until someone else provides services to the poor and receive a “free ride” from another com-
Community’s (or individual’s) assistance. Local and state communities may fear a migration of poor into their communities if they provide assistance and recognize that they do not reap all the benefits from those they might assist. Because of the costs of being a magnet and the difficulty of appropriating all the returns of their investment in the poor, local and state governments are likely to collectively underinvest. A possible remedy for this problem is to make welfare programs for the poor a federal responsibility, but, ironically, the trend of recent welfare reform has been to reduce the federal role in favor of state and local responsibility. One device used by local and state communities to restrict eligibility for welfare programs is to impose residency requirements, a policy Adam Smith opposed in the eighteenth century because it inhibited the mobility of the poor and made finding employment more difficult.

Conclusion

Assisting the poor is a difficult and complex problem that mirrors the difficulties and challenges of being poor. The precise combination of markets, charity and government intervention that best assists the poor is an issue that deserves further exploration. Looking at the issue through the lens of Adam Smith’s writings and modern economic theory, my recommendation is to clarify the problems of the poor and make them more visible, then give a helping hand to the invisible hand of the marketplace.

References


For research on the link between globalization and poverty, see the article by David Dollar and Aart Kraay “Trade, Growth, and Poverty” (*The Economic Journal*, February 2004, Volume 114, pp. F22-F49.

A recent book that discusses the “capabilities” approach to studying poverty is *Poverty and Inequality* (2006) edited by David B. Grusky and Ravi Kanbur (Stanford University Press).

For more on Adam Smith’s ethical system and theory of charity, see my article “An Analysis of Adam Smith’s Theory of Charity and the Problems of the Poor” (*Eastern Economic Journal*, Winter 1998, Volume 24, Number 1, pp. 25-41.
See No Evil, Hear No Evil, Stop No Evil:  
*How do we uncover and combat the lack of educational opportunity for the American poor?*

Sarah M. Stitzlein  
Education Department

Education is optimistically described as "the great equalizer of the condition of men." Most Americans believe that education is one of the best ways to ensure opportunity and overcome poverty in America. On average, the amount of quality education one receives correlates directly with one's income. Moreover, in the postindustrial world, educational attainment carries with it power, perceived merit, and social status. It is no surprise, then, that schooling is depicted through the image of a ladder of social mobility used to climb out of poverty.

Unfortunately, it is the very idea of meritocracy coupled with pervasive inequalities in educational opportunities that further entrench the cycle of poverty. As noted scholar of class inequality Allan Ornstein explains, "Because of socioeconomic deprivation and limited education, poor and minority groups are unable to compete successfully in a society based on educational credentials and educational achievement." While there certainly are redeeming aspects of meritocracy, it currently justifies the positions of the intellectual elite, mollifies the working poor, and perpetuates the status quo. In order for the American Dream and the standard of meritocracy to be more than unattainable propaganda, we must ensure that equal educational opportunity is being extended to all citizens, regardless of upbringing or location.

**Troubling New Patterns**

Disturbing new research confirms that the achievement gap between wealthy and poor students is growing at alarming rates. Additionally, "The achievement gap between black and white children, which narrowed for three decades up until the late years of the 1980s—the period in which school segregation steadily decreased—started to widen once more in the early 1990s when the federal courts began the process of resegregation by dismantling the mandates of the Brown decision...the gap in secondary school remains as wide as ever." These data are influenced by the fact that race and class are often connected and achievement depends on the opportunity for quality education.

While schools in neighboring Boston, for example, moved effectively toward integration following the court order of Judge Wendell Arthur Garrity in 1974, today Boston schools and schools across the country have swung to the other side of the pendulum. They are now facing the highest rates of class and race segregation since the Brown vs. Board of Education decision in 1954. For example, "more than a quarter of black students in the Northeast and Midwest, attend schools which we call apartheid schools in which 99 to 100 percent of students are nonwhite." While certainly well known to these students, resegregation is largely occurring without the knowledge of many people, especially white and/or wealthy residents of states like our own. As schools become increasingly white or non-white, rich or poor, the wealthy are even farther removed from the experiences of the struggling poor or from the enriching opportunities of growing up alongside those who are different from oneself.

**Unequal Educational Opportunity**

The differences between the quality of education offered at various schools is startling. Poor or racial minority schools tend to have far fewer resources, outdated facilities, less qualified teachers, lower performance rates, higher drop out percentages, and fewer graduates who pursue higher education. On the other hand, "the whiter and wealthier a school's enrollment, the more likely it is to have well-paid and experienced teachers, a healthy budget, new facilities, small class sizes, few disciplinary problems, a well-stocked library, challenging and advanced instruction, high expectations of students, and parents who are active and influential in its affairs." Despite the fact that poor and minority students often require extra resources to overcome the lack of
cultural capital and enrichment in the home, the gap in per pupil expenditure between wealthy schools and poor schools and the gap between white and predominantly minority schools averages is large. Let’s look at an example from our own backyard. In the 2006-2007 school year the amount of money spent on each student in Newington school district (2005 average family income of $67,700) was $25,356.69 and the amount spent in Farmington school district (average family income of $41,800) was $8,470.10. That difference alone ($16,886.59) is more than the average annual amount of money spent on each student throughout the entire state of New Hampshire. In other words, the money spent on one student in Newington would fund about three students in Farmington. Or consider that Dresden school district (with less than 1% of its students eligible for free and reduced lunch—a key marker of poverty) spends $5,590.80 more per pupil than Franklin school district (with nearly half of its students receiving free or reduced lunch). These differences affect everything from the quality of programming offered in the schools to the teachers who are enticed to work there. For instance, Dresden’s starting teacher salary is the highest in the state and tops that of Farmington and Franklin by $8,000. The discrepancies in the opportunities extended to students also relate to inequities in outcomes. Students at Franklin and Farmington are nearly 12 times more likely to drop out as students at Dresden and 3 1/2 times less likely to enter a four year college upon graduation.¹¹

Inequalities in K-12 schooling are connected to differences in access to higher education opportunities and future for upward mobility. While many people believe that the chances of earning a college degree have increased considerably, this is only true for the wealthiest half of children.¹² This is partially due to the fact that the federal government reduced the amount of scholarships and grants to poor and working class college students by 75 percent between 1980 and 2004, thereby making attending college less feasible.¹³ Relatively, while inflation-adjusted incomes for the poorer half of America have remained stagnant, private college tuition is up 110% and state college tuition is up 60%.¹⁴ Some poor students turn to alternative starting points for higher education by enrolling in community colleges that are more affordable and where their high schools alma maters may be seen as less of a shortcoming in admissions decisions. While many would commend these students for their effort, there is not really much opportunity for these students to climb the ladder. Only 0.4% will eventually make it into a selective public college where they can earn a degree that will significantly improve their future income over that of a community college graduate.¹⁵

Differences in educational opportunity are further exacerbated by recent educational policy. While noteworthy efforts were put forward in the 1960s and 1970s to ensure equal educational opportunity, the major movements of A Nation at Risk (1983) and No Child Left Behind (2001) shifted the emphasis from equality to excellence. Even though NCLB was admirably intended to ensure that students from all backgrounds receive quality education, it mandates the same levels of excellence for all schools through punitive measures, punishing (and in the most dire cases, closing down) schools and students from the worst starting positions. Additionally schools struggling to meet adequate yearly progress on mandatory testing (which are overwhelmingly poor and minority schools) often resort to pedagogical approaches that instill basic concepts rather than advanced knowledge or critical thinking skills. This further limits the abilities of and job opportunities open to graduates of these struggling schools.

Regardless of whether a school is struggling to meet the requirements of NCLB, racial minority students are particularly at risk for educations geared toward basic knowledge through disproportionate placement in the lower ends of tracking programs. Again let us look at our own area, this year at Nashua High School North where Hispanics, who make up 10% of students taking science, comprise only 3.5% of advanced science courses and a whopping 27% of foundations level courses. While some onlookers might assume that these differences are due to proficiency in the English language, the overwhelming majority of those Hispanic students were born in the United States and are fluent English speakers. These numbers demonstrate inequality in the type of education being offered and point toward the perpetuation of social class reproduction insofar as minority students are far more likely to be placed in a basic level of education.

See it, Hear it, Stop it

Some residents of largely homogenous New Hampshire tend to be less knowledgeable about issues of racial resegregation, because racial difference is rarely seen and cries of racial inequality are not often heard. Additionally some view social class struggles as a problem of remote northern New Hampshire or of particular dilapidated cities in the south. While many poor have expressed their frustrations, others are too busy trying to make ends meet to engage in such activities or have
found outlets for expression to be ineffective. The way we classify and respond to poverty depends on how much of it we see and acknowledge. Given the disparities revealed here, we must recognize our problems at home and elsewhere. Let’s start a conversation and work together to fulfill the promise of equal educational opportunity, to make meritocracy more just, and to avoid further entrenchment of the cycle of poverty.

One way for students to join this conversation is to enroll in the following courses: EDUC 700 Educational Structure and Change, (my course) EDUC 705 Contemporary Educational Perspectives, SOC 745 Race, Ethnicity, and Inequality, SOC 797 Poverty and Inequality, and WS 405 Gender, Power, and Privilege. Additionally, students might consider volunteering their assistance through tutoring, mentoring, or coaching at schools that struggle to provide resources in the area. Another option is to investigate avenues for reworking the currently illegal system of school funding by property tax in New Hampshire to make it more equitable. Finally, students might talk with one another about how their own educational experiences could have been better through greater integration and economic justice in the schooling system.

References


iii Ibid, 99.


ix All data available from the New Hampshire Department of Education.

x Sacks, 118.

xi Ornstein, 18.

xii Ibid., viii.

xiii Ibid., 82.
“Global Poverty & Global Politics”

STACY D. VANDEVEER
POLITICAL SCIENCE DEPARTMENT

Must we accept, as the New Testament suggests, that the poor will always be with us? The early 21st Century statistics remain grim:

- About 40% of the world’s 6.5 billion people live in poverty (defined by the World Bank as living on less than $2 per day);
- Almost 1 billion people live in even more desperate poverty—on less than 1 dollar per day;
- Over 50 countries (over a quarter of the total number) are actually poorer, per capita, than they were in the 1970s;
- Diseases such as malaria, tuberculosis, HIV/AIDS, and diarrhea are common within poor communities; and
- Hundreds of millions have no access to clean water or medical care, regularly experience hunger and malnutrition, and live with little or no hope of improvement in these conditions (Stiglitz, 2006).

These people’s lives are nearly unimaginable for most members of the UNH community. Just try to imagine living on less than the cost of a Starbucks coffee. Chronic hunger is normal and large portions of your time would be taken up by trying to get water to drink and fuel for cooking and heating. Your work, for which you probably would not receive any wages, would be physically, brutally hard—probably toiling to grow some meager crop in a marginally productive environment. You would be living with near-constant fear of losing your life or your loved ones to disease, malnutrition, or violence.

Yet, what is often lost in the bad news about poverty, inequality, and globalization is the fact that hundreds of millions of humans have moved out of poverty in the years since most current UNH students and professors were born. This change has come about through a combination of economic growth, good government, and peace. In other words, while many people rise out of poverty in some countries, the number of desperately poor people grows in other places. As such, a key challenge for 21st century citizens and policymakers alike is that the people who are escaping the worst kinds of poverty around the world live in one set of countries, while the roughly one billion people who are among the world’s poorest live in a different set of nations. These “bottom billion” (Collier, 2007) tend to live in countries without good government, economic opportunity, or much help from the international community. As Collier notes, these countries are “falling behind and falling apart.” In other words, most people live without much hope of seeing a better world for themselves or their children.

What can be done to offer help to increase opportunities for the bottom billion and to alleviate some of the worst ramifications of global poverty? In recent years, many policymakers and scholars supportive of globalization—but opposed to many things done in its name—have begun to draw lessons from policymaking, statistical analysis, and observations of the lives of everyday citizens about what can be done to meet the challenge of global poverty. This essay focuses only on the work of two of the most famous, Paul Collier and Joe Stiglitz, but there are many others. They reject the notion that the desperately poor will always be with us, instead arguing that “another world is possible” (Stiglitz, 2006).

Why, in a world with more wealth, increasing human lifespan, and more democratic governance than at any point in human history do so many people live in endless poverty? To answer this question in ways that help us think about what can be done to address the problem, we need to move beyond the debate between those who say that more free market capitalism will fix things on its own and those who say that capitalist markets are the problem. There is no one-size fits all solution—just as there is no one simple reason that several dozen countries have gotten poorer as the globe has gotten richer.

First, we should have some ideas about why over a quarter of the world’s countries are getting poorer. Why is this happening? In one approach to understanding this very complex situation, Collier sums up huge amounts of data and analysis into a discussion of four “traps” in which countries find themselves:
• the conflict trap (those with repeated or ongoing wars);
• the natural resources trap (those highly dependent on resource extraction—of oil, mining, forest products or some agricultural commodities—and the poor economic performance and ineffective governance that often accompanies this);
• the trap of being landlocked with bad neighbors; and
• the trap of bad governance.

While some countries only experience one of the traps, many experience more than one at the same time.

Taking a slightly different approach, Stiglitz argues that several aspects of the current international system have undermined the prospects of the poorest countries. He outlines numerous ways that factors such as the international rules governing trade and intellectual property rights—and the general lack of rules governing international corporations, global currency markets—have reduced, rather than increased, opportunities for the least economic developed countries to engage global markets. Like many anti-poverty activists, he is also concerned about how the debt burdens accrued by many developing countries inhibit poverty alleviation and economic development within poorer countries. Both authors—both veterans of World Bank work—agree that the domestic policies of many of the world’s wealthiest countries and the international institutions these countries have built together often work to keep poor and marginalized countries from improving their situations.

Collier and Stiglitz approach the problem of global poverty somewhat differently, but they agree on a number of the potential solutions and they share a belief that one-size-fits-all solutions are unlikely to work. They also agree that poverty can only decline in the poorest countries if their economies are growing and they share the view that economies do not simply grow via a magical and mythical invisible hand. In other words, they argue that economies will not function to effectively produce efficiency and generate wealth without proper national and international institutions.

Analysts like Collier and Stiglitz also agree that citizens in wealthier countries, like the US, have both moral responsibilities to help to alleviate global poverty and important material interests at stake in such alleviation. In other words, for the citizens and policy makers of the economically developed world, working to alleviate poverty around the globe is both the right thing to do—and in our best interest.

So, what do we do about poverty alleviation in the 21st century? First, we need to accept that for national economies to grow and produce benefits for poor nations, two conditions must be met: 1) the international economic and political systems must encourage, rather than discourage, economic growth in poor countries, and 2) governance in poorer countries must be substantially improved.

These are not small tasks. But, the challenges of transitioning Eastern and Central Europe away from communism, ending South African Apartheid, raising the standards of living of several hundred million Chinese citizens, or lifting several million Latin Americans out of poverty were not easy—and these things have been accomplished in years since most UNH students were born. Likewise, the fact that cancer, AIDS, and other diseases are difficult to treat and cure has not kept us from trying—and we have reaped many benefits from these attempts in the last twenty years.

While there is no one solution for global poverty, there are many things that can be done. Each may improve the lives and opportunities of some of the world’s poorest, but each also has its limits. For example, it is clear that foreign aid can be effective in increasing economic growth rates within low income countries and mitigating many of the worst aspects of grinding poverty, thereby increasing opportunities over time (Collier, 2007). However, such benefits only accrue when foreign assistance is both designed by “donors” to accomplish such tasks (which is often not the case) and used effectively in poorer countries (also not a given). As such, when aid programs seek to alleviate poverty and improve governance simultaneously, they have great potential.

Debt reduction programs offer another example. If designed in cooperation between indebted countries, international organizations and developed states, they can help reduce the burden of debt on the poorest countries (often accrued by ineffective former governments). If poorly designed, the debt reduction may not result in any changes to the lives of a debtor country’s poorest citizens. Analysts and activists have called for a host of other changes: reforming domestic and international trade laws and organizations, establishing international codes of conduct for multinational corporations, placing limits on the weapons trade, and implementing a host of other policies. Some of these will require international cooperation between wealthier states and between wealthy and poorer countries. Progress on some, however, can be made if US policymakers seek a greater role for the United States in global poverty alleviation.
Must we really accept that grinding poverty will always be with us? If we do, then we have given up hope ourselves. We can simply try to avert our gaze. If we refuse to accept poverty—at home or abroad—then we must ask ourselves what we can do in our own lives with what we say, what we buy, what we read, to whom we listen, what we demand of our corporate and public sector leaders, and for whom we vote.

If another world is possible, it is not up to others to create it.

References
