The Preamble to the Constitution begins with the lofty declaration that “We the people” are establishing the United States in part to “promote the general welfare.” What such sentiments mean and the general view of the responsibility of the government to promote the economic well-being of not just the country, but of individual citizens, has changed significantly over time.

For the first one hundred and fifty years or so of U.S. history, the various levels of government in the country, especially the federal government, were generally considered to have little responsibility for the economic conditions of individuals. Charities helped the needy, and some local governments did too. As often at not, these local government efforts were undertaken by city machine organizations that were more often interested in securing the votes of the poor than relieving their suffering as such.

The first major shift came during the Progressive Era of the late 1800s and early 1900s. During this time, reformers pushed to end monopolies, encouraged labor unions, and took other steps that the reformers believed were blocking the economic prosperity of many Americans. There was, however, little direct aid to the poor from the government. The next change was occasioned during the 1930s by the collapse of the U.S. economy as part of the global economic debacle called the Great Depression. Various social and economic theories promoting government activity to better the economic standing of individuals, especially the poor, had been growing in Europe for some time, and that philosophy came in a limited form to fore in the United States when Americans reacted to the onset of the Depression by ousting President Herbert Hoover, and his belief that the federal government should not interfere, and installing a new president, Franklin D. Roosevelt, and a new philosophy of federal economic interventionism. Even here, though, the emphasis was on creating conditions and programs that would allow people to prosper more than on providing direct assistance to individuals.

This third step came during the 1960s and later when there was a upsurge of federal spending on human resource programs. Of particular note, Lyndon Johnson’s
Great Society initiative included many new or greatly expanded programs that moved the federal government increasingly into areas, such as housing, income supplements, and health assistance, that had previously been much smaller efforts and mostly or exclusively state matters. One indication of this shift is that federal spending on human welfare programs such as housing, health, and income security grew from $12 billion (about 13% of the federal budget) in 1960 to $1.3 trillion (about 38% of the federal budget) in 2010.

How well such programs have done to limit poverty in the United States is the subject of this debate. There can be no doubt that wealth is not distributed evenly in the United States. According to the World Bank, the wealthiest 10% of Americans take in 30% of the country’s national income each year, while the poorest 10% get only 2%. This distribution is somewhat more imbalanced than in most other economically developed countries. In Japan, for example, the comparative numbers are 22% and 5%. It is also true, though, that the United States is one of the world’s wealthiest large countries. With less than 5% of the world population, the U.S. gross domestic product (GDP) was almost 25% of the world total or about $43,000 per American. The point is that while the poorest Americans get only a small slice of the U.S. economic pie, that pie is so big that even poorer Americans are arguably better off than the classification “poor” would seem to indicate.

How many people are poor, at least officially so, in the United States is determined by poverty guidelines issued annually that work from a formula meant to calculate how much income an individual or a family, say of four, needs to have for a minimally acceptable standard of living. Basically, the formula, first devised in the 1960s, assumes that a low-income family would have to spend a third of its income to have adequate nutrition. Therefore an individual or family whose income is less than three times what it would take to eat adequately is, by this formula, poor.

As you will see in the debate, there is considerable disagreement about this formula and how many Americans are truly impoverished. For instance, the formula does consider taxes, child care costs, and other factors that reduce available income and would increase the poverty rate. But the formula also does not include food stamps, public health insurance benefits, public housing, and other factors that would, if counted, decrease the poverty rate. Those like John Podesta in the first reading, who would emphasize poverty and increase public assistance, favor formula reforms that would support that goal, while those like Robert Rector in the second reading, who downplay poverty rates, have very different suggestions for changing the formula. “Everybody’s got their favorite way of measuring it because the outcome fits their needs,” wisely notes Martha Farnsworth Riche, who headed the Census Bureau under President Bill Clinton.

**POINTS TO PONDER**

➢ Does society have an obligation to ensure that no one is poor?
➢ In determining what a minimally acceptable standard of living is, should that be relative to just other Americans or to a broader, global standard of what, at minimum, the acceptable human condition is?
➢ Consider which, if any, of the steps suggested by John Podesta you favor, calculate the costs, and think about how you would pay for the added expenses or offset the reduced taxes.
I am John Podesta, President and Chief Executive Officer of the Center for American Progress. I am also a Visiting Professor of Law at the Georgetown University Law Center. I appreciate the opportunity to speak with you today about a central challenge for policymakers and society at large today: how best to reduce the ranks of the poor and build a strong and growing middle class.

As you well know, the U.S. has one of the highest poverty rates of any developed country in the world. Even with an economy that produces $13 trillion annually, 37 million Americans live below the official poverty line, including nearly one-fifth of our children. Sixteen million Americans live in “extreme poverty” (defined as a family of four living on less than $10,000 per year or an individual living on about $5,000 annually). Roughly one quarter of African Americans and Native Americans, and over one-fifth of Hispanics, are poor. All told, more than 90 million Americans can be classified as “low income” (living on less than about $40,000 per year for a family of four), meaning they face a constant struggle to keep ahead and avoid falling out of bare minimum economic existence.

In February of 2006, the Center for American Progress convened a diverse group of national experts and leaders to examine these and other issues of poverty and to make recommendations for national action. I’d like to acknowledge Peter Edelman, who is here with me today and who, along with Angela Glover Blackwell, served as a co-chairman of the Center’s Task Force on Poverty.

Our Task Force was formed in the wake of Hurricane Katrina, a searing national event that exposed the desperate condition of many of our fellow citizens who were jobless, underemployed, and incapable of exercising the most basic elements of self-survival due to their poverty.

In its report, the Task Force calls for a national goal of cutting poverty in half in the next ten years and proposes a strategy to reach the goal. The report calls for the Congress, the president, and the next administration to join this effort and set our country on a course to end American poverty in a generation. We recommend a strategy that promotes decent work, provides opportunity for all, ensures economic security, and helps people build wealth.

The taskforce started with the belief that our nation has both a moral and an economic obligation to address poverty. The persistence of millions of our fellow citizens living in economic hardship amid great national wealth violates America’s basic commitment to human dignity, freedom, and advancement for everyone. Poverty also imposes enormous costs on our society in terms of the lost potential of our children, lower productivity and earnings, poor health, and increased crime and broken neighborhoods.

A recent report commissioned by the Center for American Progress, co-authored by Harry Holzer, Diane Whitmore Schanzenbach, Greg Duncan, and Jens Ludwig, concludes that allowing children to grow up in persistent poverty costs our economy $500 billion dollars per year in lost adult productivity and wages, increased crime, and higher health expenditures. Before I describe our strategy and recommendations in more detail, I’d like to quickly discuss some of the misleading ideas that define many discussions of poverty. First, poverty is not just a “poor person’s” issue. It affects us all in distinct and important ways. Too often, discussions of poverty are treated as if they’re
unrelated to the issues facing the middle class. But large numbers of Americans—both low-income and middle class—are increasingly concerned about uncertain job futures, downward pressures on wages, and decreasing opportunities for advancement in a global economy. Employment for millions of Americans is now less secure than at any point in the post–World War II era. Jobs are increasingly unlikely to provide health care coverage and guaranteed pensions. The typical U.S. worker will change jobs numerous times over his or her working years and must adapt to rapid technological change. One-quarter of all jobs in the U.S. economy do not pay enough to support a family of four above the poverty line.

It is in our nation’s interest that those jobs be filled and that employment rates be high. It is not in our nation’s interest that people working in these jobs be confined to poverty. Large numbers would benefit if more jobs paid enough to support a family. Some issues are distinct, particularly for the smaller group of Americans in long-term, persistent poverty. But much of the agenda to reduce poverty is also one to promote opportunity and security for millions of other Americans, too. Second, poverty is not unconquerable. Our country has made great strides against poverty in the past. With the right mix of policies and societal action, we can make even greater strides in the future. Fueled by years of inaccurate characterizations of past efforts (“We fought a war on poverty and poverty won,” as Ronald Reagan stated) many Americans are left to conclude that little can be done beyond providing private charity and urging the poor to do better. Nothing could be farther from the truth. The United States has seen periods of dramatic poverty reduction. Amid the strong economy of the 1960s and the War on Poverty, the poverty rate fell from 22.4 percent to 11.1 percent between 1959 and 1973.

In the 1990s, a strong economy was combined with policies to promote and support work; the poverty rate dropped from 15.1 percent to 11.3 percent between 1993 and 2000. In each period, a near-full employment economy, sound federal and state policies that focused on rewarding work, individual initiative, supportive civic institutions and communities, and a sustained national commitment led to significant progress. In the last six years, our nation has moved in the opposite direction. The number of poor Americans has grown by five million. The federal minimum wage has remained flat. Funding for key federal programs that help people get and keep jobs has been stagnant or worse. Third, fighting poverty does not mean the poor will become more dependent on government. To the contrary, as our Task Force report shows, smart policies to fight poverty will actually increase the value of work and the commitment to work and help low-income families become more economically self-sufficient in the long run. A false argument exists that anything done by the federal government to combat poverty naturally leads to negative consequences. In fact, we know that policies such as the Earned Income Tax Credit and expanded child care provisions encourage work and strong families.

Therefore, our Task Force has recommended a four-part strategy to fight poverty:

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

*Ensure Opportunity for All.* Children should grow up in conditions that maximize their opportunities for success; adults should have opportunities throughout their lives to connect to work, get more education, live in a good neighborhood, and move up in the workforce.
**Ensure Economic Security.** Americans should not fall into poverty during times when they cannot work or work is unavailable, unstable, or pays too little to make ends meet.

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

Our strategy is based on the reality that poverty is complex and that the faces of the poor are many. No single approach or policy solution could viably move huge numbers out of poverty. Good jobs and benefits matter. Solid education matters. Safe and enriching neighborhoods matter. Opportunities to increase assets and wealth matter. Economic security and access to health care matter. Protections for the most vulnerable matter. Personal initiative, strong families, and corporate responsibility matter. We understand that some policymakers highlight the importance of promoting marriage as a strategy for reducing poverty. Research consistently finds that all else being equal, children growing up with both parents in a healthy marriage are more likely to fare better over time in terms of social and educational outcomes. At the same time, all else is often not equal. Children with loving parents can and do thrive in a range of family structures.

Government policies should find ways to support marriage, such as eliminating the marriage penalty in the EITC, but they should also support families in ways that recognize the range of settings in which children grow up. In more general terms, our basic strategy is to offer solutions to help replace America’s cycle of poverty—the tens of millions of people consigned to destitution every year because of our collective inability and unwillingness to prevent it—with a new cycle of prosperity.

We believe that decent work should be at the center of this new approach. Nothing is more important to the cycle of prosperity than good jobs—with adequate income and benefits—that allow people to take care of their families and start building assets.

Along with a job that pays a livable wage, strong personal character and individual initiative help to build strong and stable families. Strong families, in turn, help to build stable, safe, and caring communities. Communities foster good schools and encourage a culture that takes pride in personal achievement and educational success—all essential elements of economic mobility. Research clearly shows that educational attainment and personal qualities that value success and achievement early in life are directly correlated to higher wages and a better quality of life later in life.

Educational achievement leads to enhanced job prospects and increased earning potential. As wages rise, opportunities to build wealth and assets through increased savings, homeownership, and small business investments increase one’s life prospects and bring additional funds to neighborhoods, communities, and local schools.

As economists and academics have shown, assets provide insurance and cushions against unforeseen economic shocks. They encourage people to focus long term and improve their own intellectual and creative development. They increase self-sufficiency and help people move away from public support. And they encourage people to become active in the actions of government and society. Rising wages and wealth in turn provide new opportunities for the overall economy and a better quality of life in our neighborhoods and communities. To flesh out this strategy, we specifically recommend 12 steps for federal, state, and local governments, non-governmental actors, individuals, and businesses to take in order to move millions of Americans from poverty to prosperity.
1. **Raise and index the minimum wage to half the average hourly wage.** At $5.15, the federal minimum wage is at its lowest level in real terms since 1956. The federal minimum wage was once 50 percent of the average wage, but is now 30 percent of that wage. Congress should restore the minimum wage to 50 percent of the average wage, about $8.40 an hour in 2006. Doing so would help over 4.5 million poor workers and nearly 9 million other low-income workers.

2. **Expand the Earned Income Tax Credit and Child Tax Credit.** As an earnings supplement for low-income working families, the EITC raises incomes and helps families build assets. The Child Tax Credit provides a tax credit of up to $1,000 per child, but provides no help to the poorest families. We recommend tripling the EITC for childless workers, eliminating the marriage penalty by disregarding half of the lower-earning spouse’s wages if doing so would result in an increased EITC for the family, and expanding help to larger working families. We recommend making the Child Tax Credit available to all low- and moderate-income families. Doing so would move 2 million children and 1 million parents out of poverty.

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

4. **Guarantee child care assistance to low-income families and promote early education for all.** We propose that the federal and state governments guarantee child care help to families with incomes below about $40,000 a year, with expanded tax help to higher-earning families. At the same time, states should be encouraged to improve the quality of early education and broaden access to early education for all children. Our child care expansion would raise employment among low-income parents and help nearly 3 million parents and children escape poverty.

5. **Create 2 million new “opportunity” housing vouchers and promote equitable development in and around central cities.** Nearly 8 million Americans live in neighborhoods of concentrated poverty where at least 40 percent of residents are poor. Our nation should seek to end concentrated poverty and economic segregation, and promote regional equity and inner-city revitalization. We propose that over the next 10 years the federal government fund 2 million new “opportunity vouchers,” designed to help people live in opportunity-rich areas. Any new affordable housing should be in communities with employment opportunities and high-quality public services or in gentrifying communities. These housing policies should be part of a broader effort to pursue equitable development strategies in regional and local planning efforts, including efforts to improve schools, create affordable housing, assure physical security, and enhance neighborhood amenities.

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

7. Simplify and expand Pell Grants and make higher education accessible to residents of each state. Low-income youth are much less likely to attend college than their higher-income peers, even among those of comparable abilities. Pell Grants play a crucial role for lower-income students. We propose to simplify the Pell Grant application process, gradually raise Pell Grants to reach 70 percent of the average costs of attending a four-year public institution, and encourage institutions to do more to raise student completion rates. As the federal government does its part, states should develop strategies to make post-secondary education affordable for all residents, following promising models already underway in a number of states.

8. Help former prisoners find stable employment and reintegrate into their communities. The United States has the highest incarceration rate in the world. We urge Congress to pass the Second Chance Act, which will support successful models for reintegrating ex-offenders into their communities through job training and education opportunities, drug and mental health treatment, housing and other necessary services. Every state should establish an Office of Reentry Policy, which will oversee statewide reentry efforts and partner with local reentry commissions.

9. Ensure equity for low-wage workers in the Unemployment Insurance system. Only about 35 percent of the unemployed, and a smaller share of unemployed low-wage workers, receive unemployment insurance benefits. We recommend that states (with federal help) reform “monetary eligibility” rules that screen out low-wage workers, broaden eligibility for part-time workers and workers who have lost employment as a result of compelling family circumstances, and allow unemployed workers to use periods of unemployment as a time to upgrade their skills and qualifications.

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

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

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

We believe these recommendations will cut poverty in half. The Urban Institute, which modeled the implementation of one set of our recommendations (using a methodology drawn from recommendations of a National Academy of Sciences expert panel), estimates that four of our steps would reduce poverty by 26 percent, bringing us more than halfway toward our goal. Among their findings:

**Taken together, our minimum wage, EITC, child credit, and child care recommendations would reduce poverty by 26 percent.** This would mean over 9 million fewer people in poverty and a national poverty rate of 9.1 percent—the lowest in recorded U.S. history.

- **The racial poverty gap would be narrowed.** White poverty would fall from 8.7 percent to 7.0 percent. Poverty among African Americans would fall from 21.4 percent to 15.6 percent. Hispanic poverty would fall from 21.4 percent to 12.9 percent and poverty for all others would fall from 12.7 percent to 10.3 percent.

- **Child poverty and extreme poverty would both fall.** Child poverty would drop by 41 percent. The number of people in extreme poverty would fall by over 2 million.

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

The combined cost of our principal recommendations is in the range of $90 billion a year—a significant cost but one that is necessary and could be readily funded through a fairer tax system. An additional $90 billion in annual spending would represent about 0.8 percent of the nation’s gross domestic product, which is a fraction of the money spent on tax changes that benefited primarily the wealthy in recent years. Consider that:

- The current annual costs of the tax cuts enacted by Congress in 2001 and 2003 are in the range of $400 billion a year.

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

Our recommendations could be fully paid for simply by bringing better balance to the federal tax system and recouping part of what has been lost by the excessive tax cuts of recent years. We recognize that serious action has serious costs, but the challenge before the nation is not whether we can afford to act, but rather that we must decide to act. What would it mean to accomplish a 50-percent reduction in poverty? In concrete terms, it would mean that nearly 20 million fewer Americans would be living in poverty. It would mean more working Americans, dramatically fewer working people in
poverty, stronger, more vibrant communities, and millions of children beginning their lives with vastly more opportunity than they have today. It would mean a healthier population, less crime, more economic growth, a more capable workforce, a more competitive nation, and a major decline in the racial inequities and disparities that have plagued our nation. I think this is a vision of society worth fighting for. Reducing poverty is the right thing to do and critical for the success of our nation and our people. I urge Congress to consider the ideas presented here as proven, cost-effective ways to strengthen our nation and our people.

In doing so, remember the words of Robert F. Kennedy in challenging all of us to create a better society:

The future does not belong to those who are content with today, apathetic toward common problems and their fellow man alike. Rather it will belong to those who can blend vision, reason and courage in a personal commitment to the ideals and great enterprises of American society.
Poverty in America: Not Bad and Getting Better

ROBERT RECTOR

My name is Robert Rector. I am a Senior Research Fellow at The Heritage Foundation. The views I express in this testimony are my own and should not be construed as representing any official position of The Heritage Foundation.

Poverty is an important and emotional issue. Last year, the Census Bureau released its annual report on poverty in the United States declaring that there were 37 million poor persons living in this country in 2005, roughly the same level as the preceding year. To understand poverty in America, it is important to look behind these numbers—to look at the actual living conditions of the individuals the government deems to be poor.

For most Americans, the word “poverty” suggests destitution: an inability to provide a family with nutritious food, clothing, and reasonable shelter. But only a small number of the 35 million persons classified as “poor” by the Census Bureau fit that description. While real material hardship certainly does occur, it is limited in scope and severity. Most of America’s “poor” live in material conditions that would be judged as comfortable or well-off just a few generations ago. Today, the expenditures per person of the lowest-income one-fifth (or quintile) of households equal those of the median American household in the early 1970s, after adjusting for inflation.

The following are facts about persons defined as “poor” by the Census Bureau, taken from various government reports:

- Forty-three percent of all poor households actually own their own homes. The average home owned by persons classified as poor by the Census Bureau is a three-bedroom house with one-and-a-half baths, a garage, and a porch or patio.
- Eighty-two percent of poor households have air conditioning. By contrast, 35 years ago, only 36 percent of the entire U.S. population enjoyed air conditioning.
- Only 6 percent of poor households are overcrowded. More than two-thirds have more than two rooms per person.
- The average poor American has more living space than the average individual living in Paris, London, Vienna, Athens, and other cities throughout Europe. (These comparisons are to the average citizens in foreign countries, not to those classified as poor.)
- Nearly three-quarters of poor households own a car; 30 percent own two or more cars.
- Ninety-seven percent of poor households have a color television; over half own two or more color televisions.
- Seventy-eight percent have a VCR or DVD player; 62 percent have cable or satellite TV reception.
- Seventy-three percent own microwave ovens, more than half have a stereo, and more than a third have an automatic dishwasher.

Overall, the typical American defined as poor by the government has a car, air conditioning, a refrigerator, a stove, a clothes washer and dryer, and a microwave. He has two color televisions, cable or satellite TV reception, a VCR or DVD player, and a stereo. He is able to obtain medical care. His home is in good repair and is not overcrowded. By his
own report, his family is not hungry and he had sufficient funds in the past year to meet
his family’s essential needs. While this individual’s life is not opulent, it is equally far from
the popular images of dire poverty conveyed by the press, liberal activists, and politicians.

As a group, America’s poor are far from being chronically undernourished. The aver-
age consumption of protein, vitamins, and minerals is virtually the same for poor and
middle-class children and, in most cases, is well above recommended norms. Poor chil-
dren actually consume more meat than do higher-income children and have average pro-
tein intakes 100 percent above recommended levels. Most poor children today are, in
fact, supernourished and grow up to be, on average, one inch taller and 10 pounds heav-
i er that the GIs who stormed the beaches of Normandy in World War II.

While the poor are generally well-nourished, some poor families do experience hunger,
meaning a temporary discomfort due to food shortages. According to the U.S. Depart-
ment of Agriculture (USDA), 13 percent of poor families and 2.6 percent of poor chil-
dren experience hunger at some point during the year. In most cases, their hunger is short-
term. Eighty-nine percent of the poor report their families have “enough” food to eat,
while only 2 percent say they “often” do not have enough to eat.

Of course, the living conditions of the average poor American should not be taken
as representing all the poor. There is actually a wide range in living conditions among
the poor. For example, over a quarter of poor households have cell phones and tele-
phone answering machines, but, at the other extreme, approximately one-tenth have no
phone at all. While the majority of poor households do not experience significant mate-
rial problems, roughly a third do experience at least one problem such as overcrowding,
temporary hunger, or difficulty getting medical care.

While it is often argued that the U.S. devotes far fewer resources to social welfare
spending than other rich nations, the facts show otherwise. Per household, social welfare
benefits for families with children (including cash and near cash benefits, education, and
health care) are higher in the United States than in any other nation. Further, econom-
ic inequality, as measured by the ratio of economic resources available to the least afflu-
ent decile compared to the median household, is not appreciably greater in the U.S. than
most other rich nations once health care and education spending are included.

The good news is that remaining poverty can readily be reduced further, particular-
lly among children. There are two main reasons that American children are poor: Their
parents don’t work much, and fathers are absent from the home.

In good economic times or bad, the typical poor family with children is supported
by only 800 hours of work during a year: That amounts to 16 hours of work per week.
If work in each family were raised to 2,000 hours per year—the equivalent of one adult
working 40 hours per week throughout the year—nearly 75 percent of poor children
would be lifted out of official poverty.

Father absence is another major cause of child poverty. Nearly two-thirds of poor
children reside in single-parent homes; each year, an additional 1.3 million children are
born out of wedlock. If poor mothers married the fathers of their children, almost
three-quarters would immediately be lifted out of poverty.

While work and marriage are steady ladders out of poverty, the welfare system per-
versely remains hostile to both. Major programs such as food stamps, public housing,
and Medicaid continue to reward idleness and penalize marriage. If welfare could be
turned around to encourage work and marriage, remaining poverty would drop
quickly.
Finally, it is important to note the important role immigration plays in increasing poverty in the United States. Over the last twenty years, the U.S. has admitted an unprecedented stream of low skill immigrants, with over 11 million high school drop outs coming to reside in the U.S. both legally and illegally. This mass influx of low skill immigrants has led to dramatic increase in the number of poor persons in the nation. Today, more than one in poor child in four in the U.S. is the child of first generation immigrant parents. Some 12 percent of poor children in the U.S. are the children of illegal immigrant parents. The U.S. will be unable to make further progress against poverty as long as this flood of low skill immigration continues.

WHAT IS POVERTY?

For most Americans, the word “poverty” suggests destitution: an inability to provide a family with nutritious food, clothing, and reasonable shelter. For example, the “Poverty Pulse” poll taken by the Catholic Campaign for Human Development in 2002 asked the general public the question: “How would you describe being poor in the U.S.?” The overwhelming majority of responses focused on homelessness, hunger or not being able to eat properly, and not being able to meet basic needs.

But if poverty means lacking nutritious food, adequate warm housing, and clothing for a family, relatively few of the 37 million people identified as being “in poverty” by the Census Bureau could be characterized as poor. While material hardship does exist in the United States, it is quite restricted in scope and severity. The average “poor” person, as defined by the government, has a living standard far higher than the public imagines.

OWNERSHIP OF PROPERTY AND AMENITIES AMONG THE POOR

[Let us consider] the ownership of property and consumer durables among poor households. The data are taken from the American Housing Survey for 2001, conducted by the U.S. Department of Housing and Urban Development and the Census Bureau, and the Residential Energy Consumption Survey conducted by the U.S. Department of Energy. [The data show that] some 43 percent of poor households own their own home. The typical home owned by the poor is a three-bedroom house with one-and-a-half baths. It has a garage or carport and a porch or patio and is located on a half-acre lot. The house was constructed in 1967 and is in good repair. The median value of homes owned by poor households was $86,600 in 2001 or 70 percent of the median value of all homes owned in the United States.

Some 73 percent of poor households own a car or truck; nearly a third own two or more cars or trucks. Over eighty percent have air conditioning; by contrast, 35 years ago, only 36 percent of the general U.S. population had air conditioning. Nearly three-quarters of poor households own microwaves; a third have automatic dishwashers. Poor households are well-equipped with modern entertainment technology. It should come as no surprise that nearly all (97 percent) of poor households have color TVs, but more than half actually own two or more color televisions. One-quarter own large-screen televisions, 78 percent have a VCR or DVD player, and almost two-thirds have cable or satellite TV reception. Some 58 percent own a stereo. More than a third have telephone answering machines, while a quarter have personal computers. While these numbers do not suggest lives of luxury, they are notably different from conventional images of poverty.
HOUSING CONDITIONS
A similar disparity between popular conceptions and reality applies to the housing conditions of the poor. Most poor Americans live in houses or apartments that are relatively spacious and in good repair. [As the data show], 54 percent of poor households live in single-family homes, either unattached single dwellings or attached units such as townhouses. Another 36.4 percent live in apartments, and 9.6 percent live in mobile homes.

HOUSING SPACE
Both the overall U.S. population and the poor in America live, in general, in very spacious housing. [Indeed], 70 percent of all U.S. households have two or more rooms per tenant. Among the poor, this figure is 68 percent.

Crowding is quite rare; only 2.5 percent of all households and 5.7 percent of poor households are crowded with more than one person per room. By contrast, social reformer Jacob Riis, writing on tenement living conditions around 1890 in New York City, described crowded families living with four or five persons per room and some 20 square feet of living space per person.

Housing space can also be measured by the number of square feet per person. The Residential Energy Consumption survey conducted by the U.S. Department of Energy shows that Americans have an average of 721 square feet of living space per person. Poor Americans have 439 square feet. Reasonably comparable international square-footage data are provided by the Housing Indicator Program of the United Nations Center for Human Settlements, which surveyed housing conditions in major cities in 54 different nations. This survey showed the United States to have by far the most spacious housing units, with 50 percent to 100 percent more square footage per capita than city dwellers in other industrialized nations.

America’s poor compare favorably with the general population of other nations in square footage of living space. The average poor American has more square footage of living space than does the average person living in London, Paris, Vienna, and Munich. Poor Americans have nearly three times the living space of average urban citizens in middle-income countries such as Mexico and Turkey. Poor American households have seven times more housing space per person than the general urban population of very-low-income countries such as India and China.

Some critics have argued that U.S. housing in general cannot be compared to housing in specific European cities such as Paris or London because housing in these cities is unusually small and does not represent the European housing stock overall. To assess the validity of this argument, [we consider] national housing data for 15 West European countries. These data represent the entire national housing stock in each of the 15 countries. In general, the national data on housing size are similar to the data on specific European cities. U.S. housing (with an average size of 1,875 square feet per unit) is nearly twice as large as European housing (with an average size of 976 square feet per unit). After adjusting for the number of persons in each dwelling unit, Americans have an average of 721 square feet per person, compared to 396 square feet for the average European.

The housing of poor Americans (with an average of 1,228 square feet per unit) is smaller than that of the average American but larger than that of the average European (who has 976 square feet per unit). Overall, poor Americans have an average of 439 square feet of
living space per person, which is as much as or more than the average citizen in most West European countries. (This comparison is to the average European, not poor Europeans.)

**HOUSING QUALITY**

Of course, it might be possible that the housing of poor American households could be spacious but still dilapidated or unsafe. However, data from the American Housing Survey indicate that such is not the case. For example, the survey provides a tally of households with “severe physical problems.” Only a tiny portion of poor households and an even smaller portion of total households fall into that category.

The most common “severe problem,” according to the American Housing Survey, is a shared bathroom, which occurs when occupants lack a bathroom and must share bathroom facilities with individuals in a neighboring unit. This condition affects about 1 percent of all U.S. households and 2 percent of all poor households. About one-half of 1 percent (0.5 percent) of all households and 2 percent of poor households have other “severe physical problems.” The most common are repeated heating breakdowns and upkeep problems.

The American Housing Survey also provides a count of households affected by “moderate physical problems.” A wider range of households falls into this category—9 percent of the poor and nearly 5 percent of total households. However, the problems affecting these units are clearly modest. While living in such units might be disagreeable by modern middle-class standards, they are a far cry from Dickensian squalor. The most common problems are upkeep, lack of a full kitchen, and use of unvented oil kerosene or gas heaters as the primary heat source. (The last condition occurs almost exclusively in the South.)

**HUNGER AND MALNUTRITION IN AMERICA**

There are frequent charges of widespread hunger and malnutrition in the United States. To understand these assertions, it is important, first of all, to distinguish between hunger and the more severe problem of malnutrition. Malnutrition (also called undernutrition) is a condition of reduced health due to a chronic shortage of calories and nutrients. There is little or no evidence of poverty-induced malnutrition in the United States.

Hunger is a far less severe condition: a temporary but real discomfort caused by an empty stomach. The government defines hunger as “the uneasy or painful sensation caused by lack of food.” While hunger due to a lack of financial resources does occur in the United States, it is limited in scope and duration. According to the USDA, on a typical day, fewer than one American in 200 will experience hunger due to a lack of money to buy food. The hunger rate rises somewhat when examined over a longer time period; according to the USDA, some 6.9 million Americans, or 2.4 percent of the population, were hungry at least once during 2002. Nearly all hunger in the United States is short-term and episodic rather than continuous.

Some 92 percent of those who experienced hunger in 2002 were adults, and only 8 percent were children. Overall, some 567,000 children, or 0.8 percent of all children, were hungry at some point in 2002. In a typical month, roughly one child in 400 skipped one or more meals because the family lacked funds to buy food.

Not only is hunger relatively rare among U.S. children, but it has declined sharply since the mid-1990s. As Chart 2 shows, the number of hungry children was cut by a third between 1995 and 2002. According to the USDA, in 1995, there were 887,000 hungry children; by 2002, the number had fallen to 567,000.
Overall, some 97 percent of the U.S. population lived in families that reported they had “enough food to eat” during the entire year, although not always the kinds of foods they would have preferred. Around 2.5 percent stated their families “sometimes” did not have “enough to eat” due to money shortages, and one-half of 1 percent (0.5 percent) said they “often” did not have enough to eat due to a lack of funds.

**HUNGER AND POVERTY**

Among the poor, the hunger rate was obviously higher: During 2002, 12.8 percent of the poor lived in households in which at least one member experienced hunger at some point. Among poor children, 2.4 percent experienced hunger at some point in the year. Overall, most poor households were not hungry and did not experience food shortages during the year.

When asked, some 89 percent of poor households reported they had “enough food to eat” during the entire year, although not always the kinds of food they would prefer. Around 9 percent stated they “sometimes” did not have enough to eat because of a lack of money to buy food. Another 2 percent of the poor stated that they “often” did not have enough to eat due to a lack of funds.

**POVERTY AND MALNUTRITION**

It is widely believed that a lack of financial resources forces poor people to eat low-quality diets that are deficient in nutrients and high in fat. However, survey data show that nutrient density (amount of vitamins, minerals, and protein per kilocalorie of food) does not vary by income class. Nor do the poor consume higher-fat diets than do the middle class; the percentage of persons with high fat intake (as a share of total calories) is virtually the same for low-income and upper-middle-income persons. Overconsumption of calories in general, however, is a major problem among the poor, as it is within the general U.S. population.

Examination of the average nutrient consumption of Americans reveals that age and gender play a far greater role than income class in determining nutritional intake. For example, the nutrient intakes of adult women in the upper middle class (with incomes above 350 percent of the poverty level) more closely resemble the intakes of poor women than they do those of upper-middle-class men, children, or teens. The average nutrient consumption of upper-middle-income preschoolers, as a group, is virtually identical with that of poor preschoolers but not with the consumption of adults or older children in the upper middle class.

This same pattern holds for adult males, teens, and most other age and gender groups. In general, children aged 0–11 years have the highest average level of nutrient intakes relative to the recommended daily allowance (RDA), followed by adult and teen males. Adult and teen females have the lowest level of intakes. This pattern holds for all income classes.

**NUTRITION AND POOR CHILDREN**

Government surveys provide little evidence of widespread undernutrition among poor children; in fact, they show that the average nutrient consumption among the poor closely resembles that of the upper middle class. For example, children in families with incomes below the poverty level actually consume more meat than do children in families with incomes at 350 percent of the poverty level or higher (roughly $65,000 for a family of four in today’s dollars).
The average intake of protein, vitamins, and minerals as a percentage of the recommended daily allowance among poor and middle-class children at various age levels. The intake of nutrients is very similar for poor and middle-class children and is generally well above the recommended daily level. For example, the consumption of protein (a relatively expensive nutrient) among poor children is, on average, between 150 percent and 267 percent of the RDA.

When shortfalls of specific vitamins and minerals appear (for example, among teenage girls), they tend to be very similar for the poor and the middle class. While poor teenage girls, on average, tend to underconsume vitamin E, vitamin B-6, calcium, phosphorus, magnesium, iron, and zinc, a virtually identical underconsumption of these same nutrients appears among upper-middle-class girls.

POOR CHILDREN’S WEIGHT AND STATURE

On average, poor children are very well-nourished, and there is no evidence of widespread significant undernutrition. For example, two indicators of undernutrition among the young are “thinness” (low weight for height) and stuntedness (low height for age). These problems are rare to nonexistent among poor American children.

The generally good health of poor American children can be illustrated by international comparisons….In developing nations as a whole, some 43 percent of children are stunted. In Africa, more than a third of young children are affected; in Asia, nearly half. By contrast, in the United States, some 2.6 percent of young children in poor households are stunted by a comparable standard—a rate only slightly above the expected standard for healthy, well-nourished children. While concern for the well-being of poor American children is always prudent, the data overall underscore how large and well-nourished poor American children are by global standards.

Throughout this century, improvements in nutrition and health have led to increases in the rate of growth and ultimate height and weight of American children. Poor children have clearly benefited from this trend. Poor boys today at ages 18 and 19 are actually taller and heavier than boys of similar age in the general U.S. population in the late 1950s. Poor boys living today are one inch taller and some 10 pounds heavier than GIs of similar age during World War II, and nearly two inches taller and 20 pounds heavier than American doughboys back in World War I.

POVERTY AND OBESITY

The principal nutrition-related health problem among the poor, as with the general U.S. population, stems from the overconsumption, not underconsumption, of food. While overweight and obesity are prevalent problems throughout the U.S. population, they are found most frequently among poor adults. Poor adult men are slightly less likely than non-poor men to be overweight (30.4 percent compared to 31.9 percent); but, as Chart 4 shows, poor adult women are significantly more likely to be overweight than are non-poor women (47.3 percent compared to 32 percent).

LIVING CONDITIONS AND HARDSHIPS AMONG THE POOR

Overall, the living standards of most poor Americans are far higher than is generally appreciated. The overwhelming majority of poor families are well-housed, have adequate food, and enjoy a wide range of modern amenities, including air conditioning and cable television. Some 70 percent of poor households report that during the course
of the past year they were able to meet “all essential expenses,” including mortgage, rent, utility bills, and important medical care.

However, two caveats should be applied to this generally optimistic picture. First, many poor families have difficulty paying their regular bills and must scramble to make ends meet. For example, around one-quarter of poor families are late in paying the rent or utility bills at some point during the year.

Second, the living conditions of the average poor household should not be taken to represent all poor households. There is a wide range of living conditions among the poor; while more than a quarter of the poor have cell phones and answering machines, a tenth of the poor have no telephone at all. While most of America’s poor live in accommodations with two or more rooms per person, roughly a tenth of the poor are crowded, with less than one room per person.

These points are illustrated [by the data]. During at least one month in the preceding year, some 20 percent of poor households reported they were unable to pay their fuel, gas, or electric bills promptly; around 4 percent had their utilities cut off at some point due to nonpayment. Another 13 percent of poor households failed, at some point in the year, to make their full monthly rent or mortgage payments, and 1 percent were evicted due to failure to pay rent. One in 10 poor families had their phones disconnected due to nonpayment at some time during the preceding year.

Overall, more than one-quarter of poor families experienced at least one financial difficulty during the year. Most had a late payment of rent or utility bills. Some 12 percent had phones or utilities cut off or were evicted.

Poor households also experienced material problems. Some 14 percent lacked medical insurance and had a family member who needed to go to a doctor or hospital but did not go; 11 percent experienced hunger in the household; and around 9 percent were overcrowded, with more than one person per room. Slightly less than 4 percent of poor households experienced upkeep problems with the physical conditions of their apartments or homes, having three or more physical problems.

OVERALL HARDSHIP

Altogether, around 58 percent of poor households experienced no financial or physical hardships. These families were able to pay all their bills on time. They were able to obtain medical care if needed, were not hungry or crowded, and had few upkeep problems in the home. Another 20 percent of poor households experienced one financial or material problem during the year. Around 10 percent of poor households had two financial or material problems, while 12 percent had three or more.

The most common problem facing poor households was late payment of rent or utilities. While having difficulty paying monthly bills is stressful, in most cases late payment did not result in material hardship or deprivation.

While it is appropriate to be concerned about the difficulties faced by some poor families, it is important to keep these problems in perspective. Many poor families have intermittent difficulty paying rent or utility bills but remain very well-housed by historic or international standards. Even poor families who are overcrowded and hungry, by U.S. standards, are still likely to have living conditions that are far above the world average.
CROSS NATIONAL COMPARISONS OF SOCIAL WELFARE EXPENDITURES

Studies that compare the size and effects of the U.S. social welfare system with welfare in other nations usually restrict the comparison to cash welfare transfers. This can be misleading. The difference between the U.S. and other rich nations is not so much in the level of spending but in the type of spending. Comparatively, the U.S. spends little on cash aid for the non-elderly but a great deal on education and medical care. As leading poverty scholars, Timothy Smeeding, Irv Garfinkel and Lee Rainwater write, “studies that take account of only cash transfers are omitting about half of the total redistribution accomplished by welfare states….Americans are small spenders on cash support but big spenders on education and especially health care.”

The U.S. differs from other rich nations in another important respect. In European nations, government medical care programs cover the entire population, rich and poor; whereas, in the U.S., government directly funds the health care only of the elderly (through Medicare) and the poor (mainly through Medicaid). Consequently, European social welfare spending may appear large because their government health care programs cover everyone, while in the U.S., most working and middle class families receive health care through employer provided coverage. A meaningful comparison of expenditures thus must either include employer provided care or exclude European government expenditures on the non-elderly middle class.

A third major difference between the U.S. and other rich nations is that those nations rely far more on regressive indirect taxes, such as the Value Added Tax, which fall heavily on consumers. These indirect taxes take back a significant portion of the cash welfare aid these societies give out. Since nations differ in the degree to which social welfare benefits are taxed, the best measure of comparison would be a comprehensive count of post tax benefits.

The pioneering analysis of Garfinkel, Rainwater, and Smeeding provides the best comparison of social welfare spending in the U.S. and other countries and its effect on inequality. This analysis provides a comprehensive post tax count of social welfare spending including: government pension aid, cash and near cash welfare, public spending on primary and secondary education, and health care spending including employer provided coverage. Their analysis finds that the post tax value of social welfare spending in the U.S. equals around 25 percent of Gross Domestic Product (GDP) (about 4 to 5 percent points of this figure represents employer-provided health care). U.S. spending as a share of GDP is greater than the share in Australia, Canada and the Netherlands but less than other rich nations. The highest level of social welfare spending by this measure occurs in Belgium where social welfare spending is slightly more than 30 percent of GDP.

However, social welfare spending as a share of GDP can be somewhat misleading since the U.S. has a substantially higher GDP per capita than most European nations. It is therefore possible for the U.S. to spend less on social welfare as a share of GDP while still having higher absolute spending per person. The analysis of Smeeding, et al., finds this is the case. In fact, social welfare spending per capita is higher in the U.S. than in all the other rich nations studied except Sweden.

With respect to social welfare spending on children, the picture is even more favorable for the U.S. In 2000, social welfare spending in the U.S. (including cash and near cash benefits, primary and secondary public education, and health care) averaged $23,982 for each household with children. This spending level exceeded all the other
rich nations in the study; it was nearly twice the Australian level and almost 50 percent higher than the level in France. Smeeding, Garfinkel, and Rainwater write, “For those of us who cling to the notion that the United States welfare state is undersized, the absolute size of the United States total mean and median welfare state benefits per household with children—$22,259 [median] (or $23,982 mean)—is staggering once one includes health and education spending.”

Their analysis also shows that the widespread belief that the U.S. is far more unequal than other nations is misplaced, at least with respect to the bottom half of the income distribution. If all households are arrayed in order from the lowest to the highest level of economic resources, the ratio of the income of household at the tenth percentile from the bottom to the income of the median household is called the P10/P50 ratio. Including all social welfare spending, the P10/P50 ratio in the U.S. is 53 percent. This is slightly higher than the ratios in Australia and Canada, and slightly lower than the ratios of European countries. The greatest equality by this measure is found in Sweden which has a P10/P50 ratio of 58 percent. Smeeding, et al., conclude that the equality of rich nations is very similar by this measure, and that cross national differences in the P10/P50 ratios of rich nations, including the U.S, are “barely distinguishable.” Finally, the fact that the U.S. is richer than the other nations in the comparison creates the possibility that the absolute economic resources devoted to U.S. households in the bottom decile may exceed the absolute resources of comparable households in European nations.

Smeeding, Garfinkel, and Rainwater conclude, “what distinguishes the United States from other rich nations is not so much the overall level of spending or the degree of inequality of total resources at the bottom of the income distribution, but rather the kind of resources being transferred. Comparatively speaking, the United States spends enough on health care transfers to reduce the economic distance between low income families and average income families nearly as much as do other rich nations.” The authors do question whether the far higher per capita medical spending levels in the U.S. actually translate into higher quality care compared to other nations and find that issue is, as yet, unresolved.

REDDUCING CHILD POVERTY

The generally high living standards of poor Americans are good news. Even better is the fact that our nation can readily reduce remaining poverty, especially among children. To accomplish this, we must focus on the main causes of child poverty: low levels of parental work and high levels of single parenthood.

In good economic times or bad, the typical poor family with children is supported by only 800 hours of work during a year: That amounts to 16 hours of work per week. If work in each family were raised to 2,000 hours per year—the equivalent of one adult working 40 hours per week through the year—nearly 75 percent of poor children would be lifted out of official poverty.

The decline in marriage is the second major cause of child poverty. Nearly two-thirds of poor children reside in single-parent homes; each year, an additional 1.3 million children are born out of wedlock. Increasing marriage would substantially reduce child poverty: If poor mothers married the fathers of their children, almost three-quarters would immediately be lifted out of poverty.

In recent years, the United States has established a reasonable record in reducing child poverty. Successful anti-poverty policies were partially implemented in the welfare reform legislation of 1996, which replaced the old Aid to Families with Dependent

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Children (AFDC) program with a new program called Temporary Assistance to Needy Families (TANF).

A key element of this reform was a requirement that some welfare mothers either prepare for work or get jobs as a condition of receiving aid. As this requirement went into effect, welfare rolls plummeted and employment of single mothers increased in an unprecedented manner. As employment of single mothers rose, child poverty dropped rapidly. For example, in the quarter-century before welfare reform, there was no net change in the poverty rate of children in single-mother families; after reform was enacted, the poverty rate dropped in an unprecedented fashion, falling from 53.1 percent in 1995 to 39.8 percent in 2001.

In general, however, welfare reform has been limited in both scope and intensity. Even in the TANF program, over half the adult beneficiaries are idle on the rolls and are not engaged in activities leading to self-sufficiency. Work requirements are virtually nonexistent in related programs such as food stamps and public housing. Even worse, despite the fact that marriage has enormous financial and psychological benefits for parents and children, welfare reform has done little or nothing to strengthen marriage in low-income communities. Overall, the welfare system continues to encourage idle dependence rather than work and to reward single parenthood while penalizing marriage.

If child poverty is to be substantially reduced, welfare must be transformed. Able-bodied parents must be required to work or prepare for work, and the welfare system should encourage rather than penalize marriage.

CONCLUSION

The living conditions of persons defined as poor by the government bear little resemblance to notions of “poverty” held by the general public. If poverty is defined as lacking adequate nutritious food for one’s family, a reasonably warm and dry apartment to live in, or a car with which to get to work when one is needed, then there are relatively few poor persons remaining in the United States. Real material hardship does occur, but it is limited in scope and severity.

The typical American defined as “poor” by the government has a car, air conditioning, a refrigerator, a stove, a clothes washer and dryer, and a microwave. He has two color televisions, cable or satellite TV reception, a VCR or DVD player, and a stereo. He is able to obtain medical care. His home is in good repair and is not overcrowded. By his own report, his family is not hungry and he had sufficient funds in the past year to meet his family’s essential needs. While this individual’s life is not opulent, it is equally far from the popular images of dire poverty conveyed by the press, liberal activists, and politicians.

But the living conditions of the average poor person should not be taken to mean that all poor Americans live without hardship. There is a wide range of living conditions among the poor. Roughly a third of poor households do face material hardships such as overcrowding, intermittent food shortages, or difficulty obtaining medical care. However, even these households would be judged to have high living standards in comparison to most other people in the world.

Perhaps the best news is that the United States can readily reduce its remaining poverty, especially among children. The main causes of child poverty in the United States are low levels of parental work and high numbers of single-parent families. By increasing work and marriage, our nation can virtually eliminate remaining child poverty.
THE CONTINUING DEBATE:
Poverty in America

What Is New
Since the mid-1960s, the poverty level has fluctuated between 11.1% (1974) and 15.2% (1983), with 12.6% the average. According to the latest data available, poverty level spiked sharply to 14.3% in 2009 as the recession hit. Poverty also continues to be unevenly spread among demographic groups. Compared to a general rate in 2009, various groups and their poverty rates where whites (9.4%), blacks (25.8%), Latinos (25.3%), Native Americans (25.9%), and Asian Americans (12.5%).

Americans are of mixed mind about what Lyndon Johnson called “the war on poverty.” In a 2007 poll, only 26% said they were fairly satisfied by progress in reducing poverty, while 73% expressed some concerns. Yet when asked about spending on the problem, just 24% thought expenditures were too low, compared to 36% who said they were about right and 37% who thought they were too high. One factor in American attitudes toward poverty relief stem from their cultural beliefs about whether the poor or society is mostly to blame. According to the Pew Global Attitudes Project surveys, a majority of people in most countries believe that a person’s condition in life is mostly due to circumstances beyond the individual’s control. For example, an average of 63% of Germans, French, and Italians take that position. But only 32% of Americans agree. Instead, most Americans believe that success or failure is due to a person’s own abilities and efforts. It is not surprising then, that almost two-thirds of French-German-Italian opinion believes that “government should guarantee that no one is in need,” compared with less than one-third of Americans who have that view.

Where to Find More
Current U.S. poverty figures are available from the Census Bureau at www.census.gov/hhes/www/poverty/poverty.html/. A good site that has a FAQ section on how poverty is measured in the United States is that of the U.S. Department of Health and Human Services at aspe.hhs.gov/poverty/faq.shtml. For a look at world poverty and associated issues, including measurement formulas and disputes, go to the World Bank’s PovertyNet site at www.worldbank.org/poverty/. For academic resources, go to npc.umich.edu/poverty/, the URL of the National Poverty Center at the Gerald R. Ford School of Public Policy at the University of Michigan, or to the Institute for Poverty Research at the University of Wisconsin–Madison at www.irp.wisc.edu/.

What Else to Do
Almost everyone agrees that the now nearly 40-year-old formula used to determine poverty is far out of date. Research its specifics on the Web sites of DHHS and the Census Bureau and try your hand at reformulating it.