

Poverty in America

ACCORDING TO THE U.S. CENSUS BUREAU:

- 35.9 million people in the U.S. live below the poverty line; 12.9 million of these Americans are children.
- Real household incomes have declined 2.2% from 2000 to the present.
- Median household rental cost for Americans who do not own their home is \$602.00 a month.
- There are currently 10,424,540 vacant housing units in the U.S.

ACCORDING TO THE UNITED STATES DEPARTMENT OF AGRICULTURE (USDA):

- 9 million Americans suffer from hunger.
- 33.6 million Americans are food insecure, or at risk for hunger.
- 6.18 million households with children in the U.S. are food insecure.

A STUDY CONDUCTED IN 2004 BY THE UNIVERSITY OF ARIZONA IN TUCSON FOUND THAT:

- American households waste an average of 14% of food purchases.



Causes of Wealth and Poverty In America

- **Market Forces:**

The macro-economic picture of market capital generated, as measured by Gross Domestic Product (GDP) as one primary measure can be considered “the Pie”. Market growth is often touted as the solution to poverty, though history and statistics have shown the opposite to be the case. The market economy is driven by consolidation of wealth through maximization of competitive advantage.

- **Institutions of Wealth and Poverty Concentration:**

The institutionalized drivers that determine the concentration of wealth and poverty statistically correlate to specific groups of individuals and/or regulate the numbers of people that are kept in both wealth and poverty through structures such as education, health care, political access and decision-making. The institution of ownership and slavery and its vestiges are also forms of historic structural wealth and continue to influence trends in distribution of resources.

- **Individual Responses:**

Most wealth and poverty can be traced to structures that reinforce the distribution of resources. At the same time, individual response to the structures of wealth play a role in the degree of impact and can lessen or worsen the degree of poverty, or increase individual wealth, within limits. Examples of responses that worsen the impact are drug and alcohol abuse or engaging in illegal practices, such as sale of illegal narcotics which can result in incarceration. Individual wealth generation can be impacted by taking advantage of wealth generation or concentration opportunities, such as investment of resources and tax shelters.

- **Class and Cultural Structure:**

Class and cultural structures such as racism also provide different levels of protection from negative individual choices, for instance the legal system is stacked in favor of white men of European decent, and against individuals of color and those lacking financial resources for quality legal council. Class and culture can also provide greater or lesser access choices to meet needs poor individuals and individuals from non-white European cultures have access to fewer living-wage jobs, and the basic assumption of competency that accompanies race and class.



- **Catastrophe and Crisis:**

Individual or community experiences of sudden crisis such as illness or natural disaster can tip individuals or communities into poverty, or exacerbate the already devastating impacts of poverty on families. Again, the structural protections from individual crisis are unequally distributed based upon class and race, for example insurance to address these crises is not accessible to those who are poor.

- **Physical, Developmental and Mental Limitations:**

Individuals with disabilities often suffer a double jeopardy related to poverty. In a market-driven economy, these limitations to varying degrees decrease the likelihood of an individual's ability to participate in the workforce, and stereotypes biases against individuals with overt disabilities further denies access to those who could successfully participate. There is often a complex correlation between health and wealth, for example, many illnesses can be correlated to environmental degradation resulting from industrial and military waste – more often than not, systemically oppressed communities are located within close proximity to these environmental factors that create illness and disabilities that further increase poverty.



Wealth Paradigms

Paradigms are a system of beliefs that guide and influence behavior at the individual and social levels. In order to impact the broad range of factors that impact wealth, we must begin with an examination of the paradigms that affect our choices.

| DIMENSION | INDIVIDUALISTIC WEALTH PARADIGM | | COLLECTIVE WEALTH PARADIGM | |
|---------------------------------------|---|--|---|---|
| | CHARACTERISTIC | IMPACT | CHARACTERISTIC | IMPACT |
| Relational | Focus on “Self” in opposition to “other” | Defensive posture; isolation | Seeing “Self” in relation to, and as connected with “others” | Collaborative and caring posture: “All My Relations” Mitakue Oyasin |
| Possession | Individual Capital | Drive for acquisition and hoarding | Community Capital | Drive to bring resources to the community |
| Leadership and decision-making | Dominant – individuals valued by their position rather than their contribution. Decisions benefiting the top of the pyramid | Directive and hierarchal structures and systems – leaderships skills retained at the top | Collaborative and delegated authority seen as acting on behalf of whole. Leadership follows strengths and development needs | Distributed leadership – maximized strengths. Development of skills through process |
| Relation to environment | Environment as consumable resource to support individual wealth | Depleted and abused resources | Environment is extension of community to protect for future generations | Circulated resources – care to replenish and protect resources |
| Responsibility | Individual responsibility in isolation | Competition; undercutting others’ gains | Collective responsibility in relationship to others | All for one and one for all. |

Risk and Protective Factors

Working in small groups, use this chart to brainstorm the key contributing “risk” factors which cause individuals, families, communities and societies to slip into/remain in poverty ... and the key contributing “protective” factors which cause individuals, families, communities and societies to develop/maintain assets and wealth.

[If time is short: Divide into eight work groups. Each group should take a sheet of newsprint representing one of the eight cells from the chart. Work on your cell and then pass the paper to the next group until each group has contributed to all of the work sheets.]

| | RISK FACTORS | PROTECTIVE FACTORS |
|-------------------------|---------------------|---------------------------|
| INDIVIDUAL LEVEL | | |
| FAMILY LEVEL | | |
| COMMUNITY LEVEL | | |
| SOCIETAL LEVEL | | |

Concrete Strategies for Impacting Wealth

| LEVEL OF INTERVENTION | EXAMPLES OF INTERVENTION | IMPACT OF INTERVENTION |
|------------------------------|---|--|
| INDIVIDUAL | <ul style="list-style-type: none"> • Job Training Program • Adult literacy/GED programs • Drug Treatment • Re-entry program • Individual Development Accounts (IDAs) • Shelter • Other | <p>These interventions often provide benefits that can reduce, or lift an individual out of poverty on a temporary or long-term basis. This could provide indirect benefits to the families and communities of these individuals, but that is not the primary intent.</p> |
| FAMILY | <ul style="list-style-type: none"> • Food/housing day care subsidies • Cross-jurisdictional school choice • Family literacy programs • Financial Literacy • Saving/Investment Circles • Co-ops • Other | <p>These interventions are aimed at reducing the economic and other stresses to families in poverty, or providing access to support for families, that have both a short and long-term impact. These programs can improve the condition of families and can often lead to stable families and/or resources moving out of poorer neighborhoods thus lowering the standard of living for the community as a whole.</p> |

| | | |
|---|--|---|
| <p style="text-align: center;">COMMUNITY</p> | <ul style="list-style-type: none"> • Community-based job creation and economic development initiatives • Community school-based family social service programs • Low-income home-ownership development program • School reform: charter school • Transportation improvements • Community Benefits Districts • Community Development Corporations • Other | <p>These interventions attempt to lift the resources of the community which can create a sustained impact on the vitality of a community or region, and can increase the desirability of a community to those whose resources are increasing, or those with more resources. This can improve the quality of life for the community as a whole.</p> |
| <p style="text-align: center;">SOCIETY</p> | <ul style="list-style-type: none"> • Judicial Reform • Economic Incentives • Health Care Reform • Public Transportation Systems • Drug Treatment Funding • Other | <p>These interventions are aimed at lifting the baseline of poverty by reducing or eliminating poverty-contributing factors that impact individuals, families and communities such as incarceration, working in poverty, and medical expenses. There are debates as to the overall impact of these interventions on the broader society as there are often impacts to industries such as privatized prisons, insurance companies and unskilled labor employers.</p> |

Strategies for Wealth Development

LEVELS OF IMPACT ACTION SHEET

Identify a core issue related to wealth and poverty in your community you would like to address, e.g., youth dropout rates.

Develop strategic actions that would impact this factor.

| LEVEL OF IMPACT | ACTION STEPS | STAKEHOLDERS TO ENGAGE | WHEN? |
|------------------------|---------------------|-------------------------------|--------------|
| INDIVIDUAL | | | |
| FAMILY | | | |
| COMMUNITY | | | |
| SOCIETY | | | |