POVERTY, NOT THE POOR

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The Problem of Persons

“The idea that poverty is a problem of persons—that it results from moral, cultural, or biological inadequacies—has dominated discussions of poverty for well over two hundred years and given us the enduring idea of the undeserving poor.”

Michael Katz (2013: 269) *The Undeserving Poor*
U.S. Has Always Had Systemically High Poverty
(Source: LIS)
Outline

1. Understanding of THE POOR is Dominated by Individualistic Problem of Persons
   a) Fixing the Poor: Behavioral Explanations
   b) Dramatizing the Poor: Emotive Samples

2. Political Theories: Better Understanding of Systemically High POVERTY
FIXING THE POOR: BEHAVIORAL EXPLANATIONS
Behavioralism Dominates From Right to Left

- **Tanner (2014)** “We have a pretty good idea of how to get out of poverty and how to stay out of poverty. Number one is, finish school. . .Number two is, if you're a woman and you're not married, don't have a baby. . .And number three is jobs.”


- **Sawhill’s Success Sequence (2003)** “Those who graduate from high school, wait until marriage to have children, limit the size of their families, and work full-time will not be poor.”

- **Fragile Families: Why Low-income Couples Fail to Contracept, Conceive Children Out of Wedlock, and Fail to Get Married**
Individual Behavior is the **KEY** Mechanism

Behavior Caused by Incentives, Culture & Maybe Traits

Poverty Has Feedback Effects
- Bad Incentives (e.g. Traps)
- Intergenerational Cultural Reproduction
- Wear & Tear on Traits (e.g. Health, Cognitive Burden, Present Bias)
Problems of Behavioral Theories

- Set Aside Obvious Problems
  - Not Compared Against Alternative Theories, Lack of Comparative Research Designs, Hopeless Endogeneity

- Focus On Essential Problems
  1. Behavior -> Poverty Is Unreliable
  2. Prevalence of Bad Behavior Cannot Explain Systemic Patterns at Macro-Level
  3. Ignores Political Moderation of Penalties
The Prevalences & Penalties (PP) Framework (w/ Finnigan & Huebgen)

- Framework for Scrutinizing Four Paramount Risks
  - Single Motherhood, Unemployment, Young Headship, Low Education

- Prevalence
  - The Share of Population with a Poverty-Increasing Characteristic
  - Mostly Behavior

- Penalties
  - Increased Probability of Poverty Associated with Risk
  - Mostly Politics
Coefficients of Variation for Prevalences and Penalties

- Young Head Single Mother HH
- Low Educated Head
- Unemployed HH

Prevalences
Penalties
PREVALENCES OF RISKS

The chart illustrates the prevalences of risks across various countries. The x-axis represents the percentage of individuals affected, while the y-axis lists the countries from top to bottom. Countries are color-coded to indicate the number of risks: 1 Risk is shown in dark gray, 2 Risks in light gray, 3 Risks in medium gray, and 4 Risks in white.

Countries listed from top to bottom include SPA, ITA, IRE, BEL, AUL, FRA, LUX, UKM, HUN, DEN, ICL, GRE, SWE, NET, NOR, ISR, KOR, AUT, FIN, USA, POL, EST, CAN, GER, SVN, SWZ, CZE, JPN, and SVK.
PENALTIES FOR RISKS

[Graph showingpenalties for risks across different countries, with categories for Young Head, Single Motherhood, Low Educated, and Unemployed HH.]
What Would Happen to US Poverty If We Had Cross-National Median Prevalences or Penalties?

Predicted Poverty Rate 2013

- for all 4 risk groups
- for Young Head
- for Single Motherhood
- for Low Educated
- for Unemployed HH

Median Prevalence

Median Penalty
BUT, Surely Single Motherhood Explains Why the U.S. Has High Child Poverty (w/ Baker & Finnigan)

- Wilson (1987): “The rise of female-headed families has had dire social and economic consequences because these families are far more vulnerable to poverty than other types of families.”
- Ellwood and Jencks (2004): “Those whose primary goal is to reduce child poverty should mainly worry about the increased proportion of children living with only one adult.”

The U.S. Has Systemically High Child Poverty
Single Motherhood Among Children in 30 Rich Democracies

U.S. Has 7th Highest PREVALENCE (20.0); BUT There Is Little Variation (CV .41)

U.S. Ranks 1st in PENALTY (9.97); AND Variation is Larger (CV 2.07); 23 of 30 Not Significantly Positive
What Would U.S. Child Poverty RATE Be With Counterfactual Prevalences?

Vertical Line: Mean Child Poverty Rate Across 30 Rich Democracies

- Actual/Predicted
- Cross-National Median Single Motherhood Prevalence (14.44%)
- 1 Cross-National SD Less Single Motherhood Prevalence (14.17%)
- 1970 U.S. Single Motherhood Prevalence (10.60%)
- ½ Single Motherhood Prevalence (10.00%)
- Zero Single Motherhood
- Zero Prevalences All Risks

Vertical Line: Mean Child Poverty Rate Across 30 Rich Democracies
What Would Happen to BLACK, LATINO & WHITE Child Poverty RATES with Counterfactual Prevalences?

<table>
<thead>
<tr>
<th></th>
<th>Whites</th>
<th>Blacks</th>
<th>Latinos</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prevalence of Single Motherhood (%)</td>
<td>14.68</td>
<td>44.34</td>
<td>21.90</td>
</tr>
<tr>
<td>Penalties for Single Motherhood (%)</td>
<td>9.19</td>
<td>6.97</td>
<td>12.75</td>
</tr>
<tr>
<td>Child Poverty Rates (%)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Model Predicted</td>
<td>13.42</td>
<td>35.52</td>
<td>32.51</td>
</tr>
<tr>
<td>Cross-National Median Single Motherhood Prevalence</td>
<td>13.38</td>
<td>33.06</td>
<td>31.50</td>
</tr>
<tr>
<td>Zero Single Motherhood</td>
<td>11.39</td>
<td>31.90</td>
<td>29.55</td>
</tr>
</tbody>
</table>

Note: Mean Child Poverty Rate Across 30 Rich Democracies is 11.5%
DRAMATIZING THE POOR:
EMOTIVE SAMPLES
Moral Outrage > Theory of Causes


“Poverty is Morally Urgent. . .an Affront to Dignity”

“Esteeming dignity encourages a humanizing social analysis, where researchers are sensitized to the capacity for love, creativity, and imagination in their subjects. The principle of human dignity also shifts the poverty debate away from income redistribution.”

Focus on Individual Lived Experiences, NOT Systemic High Poverty

Symptoms, Not Causes (e.g. Eviction)

Overrepresent the Unrepresentative Poor

Exaggerate & Mischaracterize Poverty

Omit Effective Social Policies

Fuels the Fallacy of Intractability
OVERREPRESENTATION: PREVALENCE OF 4 RISKS
(Brady, Finnigan & Huebgen 2017)
Exaggerate & Mischaracterize: $2 a Day

“1.65 million households with 3.55 million children were living in extreme poverty in a given month. . .constituting 4.3 percent of all nonelderly households with children. The prevalence of extreme poverty has risen sharply since 1996, particularly among those most affected by the 1996 welfare reform.”

1996-2011: 152.9% Growth Overall, 48% Growth for Children, 67.9% Growth for Single Female-Headed HHs, >300% Growth in Raw # of Children

Less Than $2/Day in Cash Income
Realities of Extreme Poverty (w/ Parolin): Edin & Shaefer Replications (left: Overall, right: Children)
Realities of Extreme Poverty (w/ Parolin): <10% of Median
WITH and WITHOUT SNAP
# Realities of Extreme Poverty (w/ Parolin): Composition of Children = Immigrants Not Single Mothers

<table>
<thead>
<tr>
<th></th>
<th>Two dollar per day</th>
<th>CI +/-</th>
<th>10% median</th>
<th>CI +/-</th>
<th>10% of 1997 median</th>
<th>CI +/-</th>
</tr>
</thead>
<tbody>
<tr>
<td>Born outside US</td>
<td>56.9%</td>
<td>8.3%</td>
<td>28.8%</td>
<td>4.4%</td>
<td>32.2%</td>
<td>1.3%</td>
</tr>
<tr>
<td>HH head is non-citizen</td>
<td>72.9%</td>
<td>7.4%</td>
<td>57.9%</td>
<td>4.6%</td>
<td>61.1%</td>
<td>1.8%</td>
</tr>
<tr>
<td>Single mother HH</td>
<td>13.5%</td>
<td>6.1%</td>
<td>31.1%</td>
<td>4.2%</td>
<td>28.8%</td>
<td>1.9%</td>
</tr>
<tr>
<td>Single father HH</td>
<td>3.0%</td>
<td>3.4%</td>
<td>9.6%</td>
<td>2.6%</td>
<td>7.4%</td>
<td>1.1%</td>
</tr>
<tr>
<td>Jobless HH</td>
<td>67.2%</td>
<td>7.7%</td>
<td>57.3%</td>
<td>4.6%</td>
<td>56.7%</td>
<td>1.9%</td>
</tr>
<tr>
<td>HH head low education</td>
<td>38.1%</td>
<td>8.2%</td>
<td>57.4%</td>
<td>4.7%</td>
<td>56.3%</td>
<td>1.8%</td>
</tr>
<tr>
<td>HH head under 25</td>
<td>5.3%</td>
<td>4.0%</td>
<td>13.7%</td>
<td>2.9%</td>
<td>12.1%</td>
<td>1.4%</td>
</tr>
<tr>
<td>Received TANF during year</td>
<td>0.0%</td>
<td>0.0%</td>
<td>7.1%</td>
<td>2.7%</td>
<td>6.5%</td>
<td>1.5%</td>
</tr>
<tr>
<td>Received SNAP during year</td>
<td>14.6%</td>
<td>7.3%</td>
<td>61.3%</td>
<td>4.6%</td>
<td>55.9%</td>
<td>1.3%</td>
</tr>
<tr>
<td>Share of children</td>
<td>0.08%</td>
<td>0.01%</td>
<td>0.31%</td>
<td>0.03%</td>
<td>0.26%</td>
<td>0.03%</td>
</tr>
<tr>
<td>Weighted N.</td>
<td>50.3%</td>
<td>4.0%</td>
<td>355,257</td>
<td>4.6%</td>
<td>457,214</td>
<td>4.0%</td>
</tr>
</tbody>
</table>
Overrepresentation & Intractability: Homelessness

- National Point in Time Homeless Count in 2019 Was 567,715; But Let’s Assume 1,000,000
- Highly Visible in Affluent Parts of California Cities; Not Segregated Away Like Most of Poverty
- 0.26% of US Population
- 1.8% of the POOR

- $2,500/month UBI for Each Homeless Person: $30 Billion
- 20% Deduction on Pass Through Income: $35 Billion
- Qualified Dividends Deduction: $31 Billion
- Home Mortgage Interest Tax Deduction: $25 Billion
Rather Than Problem of Persons, Systemic High Poverty Results from Game of Musical Chairs

“Picture a game with ten players, but only eight chairs. When the music stops, who’s most likely to be left standing? It will be those who are at a disadvantage in terms of competing for the available chairs (less agility, reduced speed, a bad position when the music stops, and so on). However, given that the game is structured in a way such that two players are bound to lose, these individual attributes only explain who loses, not why there are losers in the first place. Ultimately, there are simply not enough chairs for those playing the game. The critical mistake that’s been made in the past is that we’ve equated the question of who loses at the game with the question of why the game inevitably produces losers. They are, in fact, distinct and separate questions.”

Mark Rank (2011)
Political Theories (Brady 2019)

- Power & Institutions Cause Policy, Which Causes Poverty
- Policies Moderate Behavior -> Poverty
- Institutions Also Directly Influence Poverty & Moderate Behavior
F.E.I.S. Models: Predicted Poverty By HH Union Membership & State Unionization (w/ VanHeuvelen)
Conclusions

- Focus on Why U.S. Has Systemically High Poverty, Not the Poor As Problem of Persons
- Fixing the Poor & Dramatizing the Poor Are Wrong Direction for Addressing Poverty
- Political Theories Are Better Direction
- Other Potential Parts of (Unwritten) Book
  - Why Cultural Explanations Remain a Dead End
  - Intergenerational “Cycle” of Poverty
  - Dynamics of & Spells in Poverty
  - Composition: Poverty is Mostly Working Poverty
  - Inequality: Poverty Across Race, Sex and Life Cycle
  - Chapters Exemplifying Best Evidence for Political Theories
EXTRA SLIDES
"‘Culture of Poverty’ Makes a Comeback” (NYT)

- Small, Harding & Lamont (Annals 2010):
  - “Rather than causing behavior, frames make it possible or likely.”
  - “Explicitly explaining the behavior of low-income population in reference to cultural factors”

- Harding (2010): Poor Neighborhood Cultural Heterogeneity (i.e. “Diluted” and “Levels Expectations”) -> Sexuality, Violence, & Education of Poor Adolescent Black Males (-> Poverty)

  - “Boys in poor neighborhoods are presented with many negative role models”;
  - “Adolescent boys who have little or no relationship with their fathers, the norm in poor neighborhoods, are particularly susceptible to the influence of older peers”;
  - “The boys [in poor neighborhoods] approach romantic relationships with a great deal of distrust.”
Culture Is Always a Bad Explanation

Older Critiques of Culture Largely Ignored

- Massey (2010): “We’ve finally reached the stage where people aren’t afraid of being politically incorrect.”
- Small (2010): “New generation of scholars without the baggage of that debate.”

“Scripts/Schema/Frames” Vocabulary (vs. Values/Norms) Does NOT Change Basic Argument:

- Heterogeneity = Mix of Good & Bad (Not Homogenously Good) = Greater Ratio of (Bad/Good) = More Bad
- Only Mechanism from Culture -> Poverty is Behavior
- Necessarily Theory of Poor Having Behavior Deficit

But, Behaviors: (a) Are Unreliable Predictor, (b) Cannot Explain Systemically High Poverty, (c) Effects Can Be Moderated & Are Small
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  - for Low Educated
  - for Unemployed HH
- Median Penalty
  - for Single Motherhood
  - for Low Educated
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Poverty Rate Range: 0 to 20