Poverty as a Public Health Issue: Poverty since the Kerner Commission Report of 1968

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Abstract

This paper reviews trends in poverty since the late 1960s. Poverty is as prevalent now as it was then. A good deal about the nature of poverty and our efforts to deal with it, however, has changed. The paper has three major themes. First, we note that urban poverty is no longer a predominantly black issue; the composition of the urban poor has changed considerably since the late 1960s. Second, poverty outside the central city continues to be a problem and should not be ignored. Third, we argue that the current approach to poverty that emphasizes personal responsibility is clearly ineffective and should be replaced with a focus on poverty as a public health issue. Viewing poverty as a public health issue points to the crucial role of both government and individuals in efforts to overcome it.

Poverty as a Public Health Issue: Poverty since the Kerner Commission Report of 1968

American society has changed in many ways since the Kerner Commission issued its report on March 1, 1968. Our understanding of poverty, its dimensions, and possible ways of dealing with it is much different from the perceptions that underlay that report. In this chapter, we review trends in poverty and antipoverty policy since 1968. In part, the paper is an update of a similar report prepared by one of us—Sandefur (1988)—on the occasion of the 20th anniversary of the report of the Kerner Commission.

One startling feature of poverty in the United States is that it is as prevalent now as it was in the late 1960s. This is in spite of the War on Poverty launched in the 1960s and subsequent efforts to make poverty policy more effective. Many have become disillusioned with government efforts to help the poor, given the failure of these efforts to reduce the level of poverty. Such a pessimistic view of government efforts ignores two essential aspects of poverty and government policy.

First, as Danziger and Weinberg (1994), Sandefur (1988), and others have pointed out, government efforts to help the poor do in fact raise substantial numbers of people above the poverty line, and these efforts also do a good deal to ameliorate the effects of the poverty. Food Stamps feed those among the poor who would not otherwise eat, and Medicaid provides medical care to poor children who would not otherwise receive it. To criticize government programs that help the poor because they do not eliminate the problem is like criticizing aspirin because it does not eliminate headaches.

A medical analogy, more specifically a public health analogy, can also help illustrate the second aspect of poverty ignored by the critics of government programs. A certain level of poverty in our society is generated by the nature of the American economy. In an economy in which 5 percent or so of the population is unemployed in the best of times, and in which millions of Americans have full-time jobs that do not pay enough to lift them and their families above the poverty line, a substantial group of people will be poor. The existence of poverty in our society is, in effect, similar to the existence of the common cold. Although people may engage in behavior that increases or decreases their risk of catching a cold, it

is naive to believe that no one will catch a cold even if they do the right things. The same is true of poverty. People may behave in ways that increase or decrease their risks of being poor or the length of time that they remain poor, but it is foolish to believe that poverty is solely the fault of the poor.

If we accept the analogy of poverty as a public health problem, our understanding of why poverty has not disappeared becomes dramatically different. It will never disappear as long as our economy is characterized by an unemployment rate of at least 5 percent and by millions of jobs that do not pay enough to lift people above the poverty line. Given that these negative features of the economy are associated with positive features, such as low inflation, we are not in a position to eliminate unemployment or pay everyone a wage that raises them above the poverty line. What we need is a set of government programs that reduce the length of time that people are poor and ameliorate the effects of poverty. As we argue below, recent policy changes do not move in this direction. In fact, our current efforts are likely to generate more poverty rather than to reduce it.

As we revisit the original report of the Kerner Commission, it is also important to note that poverty is not just a central city phenomenon, nor does it involve only blacks. In fact, the levels of poverty in some nonmetropolitan areas exceed those in central cities. What is most distinctive about poverty in the central cities is the geographical concentration of large numbers of black and Hispanic poor people. Many of the factors associated with poverty seem to be similar whether we are talking about rural or urban poverty, or black, white, Hispanic, Asian, or American Indian poverty.

Poverty was only one concern of the Kerner Commission (1968). It set out to understand the circumstances leading to the urban race riots of the mid-1960s. In its investigation, the Commission appropriately identified the plight of poor, urban blacks as one major factor in the riots. In 1992, a large-scale race riot again raged in Los Angeles, yet this time the media, social scientists, and politicians discussed more than just blacks and whites. The predominantly black rioting that characterized the 1960s was replaced by rioting involving Hispanics as well as blacks, with Korean-owned businesses targeted

for vandalism and looting. The change in the nature of the riots illustrates a fundamental change in America's urban poverty that has taken place and continues to take place. Urban poverty can no longer be thought of as primarily a black issue. The urban poor population has become increasingly diverse as Asians and Hispanics have joined the population of urban areas. Further, racial issues in the United States can no longer be seen solely, or even predominantly, in black/white terms. The Hispanic population of the United States will soon surpass the black population in size, and the Asian population continues to grow at a much faster rate than either the black or white populations.

Our paper proceeds as follows. We first discuss the recent debate over defining and measuring poverty and briefly point out the implications of using the definition of poverty proposed by the National Research Council (NRC) for understanding minority poverty. Second, we review trends in poverty since the 1960s, looking not only at central cities but also at poverty trends in other geographical areas. We also follow trends for different racial and ethnic groups and different demographic groups. Third, we review trends in public policies for dealing with poverty, including the 1996 Personal Responsibility and Work Opportunity Reconciliation Act. We conclude with a call for viewing poverty as a public health issue rather than predominantly as a moral failure of those who are poor.

I. THE MEASUREMENT OF POVERTY

In 1965, the U.S. government adopted an official poverty definition for use in national statistics. Under the definition, the poverty threshold equals the cost of a minimum diet multiplied by three and adjusted for the age of the household head and the number of persons in the family. Except for changes in the number of different poverty thresholds for different types of families and a change in the price index used to adjust the thresholds for inflation, the official poverty definition has not been altered since its inception (National Research Council, 1995). Many have begun to wonder, however, whether a definition of poverty developed in the mid-1960s is applicable today.

Many observers have criticized the official poverty definition over the years. One issue has been how to measure household income. The official poverty definition compares a family's pretax income to the appropriate threshold. Some have argued that government in-kind benefits (such as Food Stamps and Medicaid) should be included in the measure of income, while others have argued that income should be measured after taxes. Still others have suggested that work-related expenses and child care costs should be deducted from income to better indicate the amount of resources a family has available. Another criticism is that the current poverty line does not take into account the different costs of living in various parts of the country.

Responding to these concerns, the Joint Economic Committee of Congress authorized an independent review of the official U.S. poverty measure. The NRC appointed a committee to conduct the review. After much deliberation, the NRC committee proposed several changes in the current measure of poverty in the United States. Its first recommendation was that the poverty threshold should represent a budget for food, clothing, shelter, utilities, and a small amount for other needs, instead of simply being a multiple of basic food costs. A second recommendation was that the thresholds should reflect the needs of different family types and geographical differences in housing costs. Third, the NRC committee recommended that family resources be measured as the sum of all money income and near-money benefits (e.g., Food Stamps, free school lunches) from all sources minus the expenses that are not included in the family budget of goods and services. These later expenses include taxes, child care, work-related expenses, and out-of-pocket medical costs.

This proposed definition of poverty is dramatically different from the official definition and using it leads to a different estimated poverty rate for a given year. In 1992, for example, the official poverty rate was 14.5 percent, but under the NRC's proposed poverty measure the overall poverty rate

would have been 18.1 percent.¹ In addition, the poverty rates for various groups of people differ under the two measures. Table 1 shows the different poverty rates for whites, blacks, and Hispanics using the two measures. With the NRC's proposed poverty definition, the poverty rate for each racial and ethnic group increases. Whites have the lowest poverty rate under the new definition. With the official poverty definition, blacks have the highest poverty rate, but with the alternative definition, Hispanics have the highest rate. The dramatic increase in the Hispanic poverty rate under the proposed definition is due mainly to the adjustment for housing costs in the alternative definition. By taking into account housing costs, the poverty rates for the Northeast and the West regions increased. Since Hispanics are concentrated in these two regions and whites and blacks are not, Hispanic poverty rates were greatly affected by this attention to differential housing costs.

While the investigation into the definition and limitations of the current official poverty measure proved very valuable, the NRC's proposed measurement of poverty is not yet the national standard. Thus, this chapter will use statistics based on the official poverty definition, even though these statistics may be underestimates of the actual poverty rate in the United States. Further, we are particularly interested in trends over time, and sufficient data do not exist for estimating poverty rates using the proposed NRC definition for the period from the late 1960s through the mid-1990s.

II. POVERTY SINCE THE 1960s

We begin with a review of trends in poverty in general, without attention to geographical location. As Danziger and Weinberg (1994, p. 18) have noted, "Poverty in the early 1990s remains

¹To adjust the poverty thresholds by different family types, the NRC committee developed a formula to account for the different consumption needs of adults and children. Committee members considered two scale economy factors, 0.75 and 0.65, but they could not choose between the two. In this paper, we have decided to report the statistics relating to the more conservative 0.75 scale economy factor. Using Survey of Income and Program Participation (SIPP) data along with the proposed measure, the 1992 poverty rate would have been between 15 and 16 percent, since the SIPP considers more sources of income than does the Current Population Survey (CPS), which is the database currently used in determining official poverty measurements.

TABLE 1

Poverty Rates for Individuals under the Current Poverty Definition and the Proposed NRC Poverty Definition, by Racial and Ethnic Groups, 1992

	Percent of	Poverty R	Late (%)
	Total Population	Current Measure	NRC Measure
White	83.6	11.6	15.3
Black	12.5	33.2	35.6
Hispanic ^a	8.9	29.4	41.0

Source: National Research Council (1995, Table 5–8).

^aHispanics can be of any race.

relatively high. It is high relative to what it was in the early 1940s; it is high relative to what analysts expected given the economic recovery of the 1980s (for example, Blank and Blinder, 1986); it is high relative to what it is in other countries that have similar standards of living (Smeeding, 1992)." In 1968, the year of the Kerner Commission report, 12.8 percent of the U.S. population was poor. In 1995, 13.8 percent of the U.S. population was poor (Baugher and Lamison-White, 1996). In sum, no progress was made in permanently reducing the overall rate of poverty in the United States between 1968 and 1995.

Table 2 provides information on poverty rates for different subsets of the population. The pattern in poverty rates for all persons varies by racial and ethnic group, as can be seen in panel A. The poverty rate for white individuals declined in the 1960s and 1970s, but it has slowly increased since the 1980s. Despite this increase, the poverty rate for white individuals remains the lowest among all racial and ethnic groups. The individual black poverty rate has consistently declined since 1959, but it remains higher than that for most other racial and ethnic groups. The poverty rate of Hispanic individuals fluctuated before the 1980s, but since then it has increased to become the highest individual poverty rate among all racial and ethnic groups in 1995. The black and Hispanic poverty rates are still nearly three times that for whites. The American Indian poverty rate has fluctuated but has remained relatively high. In 1989, the poverty rate for American Indians was the highest for all reported racial and ethnic groups. The Asian poverty rate has remained relatively constant and relatively low throughout the 1979–1995 period.²

Although the breakdown of poverty rates for individuals by racial and ethnic group illuminates differences in the time trends for different groups, these rates also hide important changes in the

²The poverty rate for the Asian population is not available in publications from the U.S. Bureau of the Census in 1959 or 1969. The poverty rates for years between the census years come from data collected in the March CPS of each year. The CPS now permits estimates of the poverty rate for Asians and Hispanics as well as blacks and whites but does not permit estimates of the poverty rate for American Indians. In addition, one must bear in mind the heterogeneity of each racial and ethnic group. This is most apparent for Asians and Hispanics, where the poverty rates can vary widely by national origin and nativity.

TABLE 2
Percentage of Individuals Below the Poverty Line, by Year, 1959–1995

Group	1959	1969	1979	1989	1995
		A. All Per	reone		
White	18.1	9.5	9.0	10.0	11.2
Black	55.1	32.2	31.0	30.7	29.3
Hispanic	NA	24.3°	21.8	26.2	30.3
American Indian	NA NA	38.3	27.5	30.9	NA
Asian	NA NA	NA	13.1	14.1	14.6
		B. Persons 65	and Over		
White	33.1	23.3	13.3	9.6	9.0
Black	62.5	50.2	36.2	30.7	25.4
Hispanic	NA	30.1 ^a	26.8	20.6	23.5
American Indian	NA	50.8	32.1	29.4	NA
Asian	NA	NA	14.5	7.4	14.3
	C. Relate	ed Children under	r 18 in Families		
White	20.6	9.7	11.4	14.1	15.5
Black	65.6	39.6	40.8	43.2	41.5
Hispanic	NA	NA	27.7	35.5	39.3
American Indian	NA	44.9	32.2	38.3	NA
Asian	NA	NA	14.9	18.9	18.6
	D. Pers	sons in Families v	with Female Hea	ıds	
White	40.2	29.5	24.7	28.1	29.9
Black	70.6	58.3	49.8	49.4	48.2
Hispanic	NA	54.3 ^a	50.7	50.6	52.8
American Indian	NA	63.5 ^b	49.0	50.4	NA
Asian	NA	NA	27.4	34.6	28.9

Sources: U.S. Bureau of the Census (1997, Table C-2; pp. C-5–C-7); Sandefur (1988, Table 4.1); U.S. Bureau of the Census (1993c, CP-2-1, Table 49); U.S. Bureau of the Census (1983, PC80-1-C1, Table 129); U.S. Bureau of the Census (1973b, PC(2)-1C, Table 10); U.S. Bureau of the Census (1973a, PC(2)-IF, Table 9).

^aFor persons in families with heads who are of "Spanish heritage."

^bOnly includes persons self-identified as "American Indian," whereas later years also include those self-classified as "Eskimo" or "Aleut."

composition of the poverty population. The poverty rates for persons 65 and older have dramatically decreased from their 1959 levels for most racial and ethnic groups (panel B, Table 2). These declines are the most obvious for whites, blacks, and American Indians. Asians 65 and over are the only elderly group to remain at relatively the same poverty rate. Black, Hispanic, and American Indian persons aged 65 and older continue to experience the highest levels of poverty.

Children have had a much different experience than have older Americans. In general, children experienced a decline in their poverty rates between 1959 and 1969, but since 1969 their poverty rates have increased. In 1959, the poverty rate for related children under age 18 in families was 26.9 percent, and by 1969 the poverty rate for these children had dropped to their lowest levels at 13.8 percent. But by 1995, the poverty rate for related children under age 18 in families had increased to 20.2 percent (Baugher and Lamison-White, 1996). The pattern is similar across racial and ethnic groups, but the level of poverty differs. White and Asian children experience the lowest levels of poverty, while black, Hispanic, and American Indian children face poverty rates over twice those of white and Asian children (panel C, Table 2).

Panel D shows the poverty rates for persons in families with female heads. At the time of the Kerner Commission report, only 9.8 percent of all families in the United States were headed by a single female. By 1995, this had increased to 17.5 percent. Families headed by single females are much more likely to experience poverty than are families headed by two persons. For example, in 1995 the poverty rate for married-couple families was 4.5 percent while the poverty rate for families headed by single females was 36.3 percent. The percentage of families headed by single women also differs by racial and ethnic group; 12.9 percent of white families, 47.3 percent of black families, 23.0 percent of Hispanic families, and 10.7 percent of Asians families are headed by single women (Baugher and Lamison-White, 1996).

The percentage of poor individuals living in families headed by single females varies with race and ethnicity. American Indians, blacks, and Hispanics living in such families face extremely high poverty rates—about half of these persons experience poverty. Whites and Asians living in female-headed families face poverty rates near 30 percent. Over time, there have been declines in the poverty rates for persons in families headed by single females, but these declines are not substantial. Thus, the experiences for many persons in these families are difficult.

A. <u>Location and Poverty in the 1990s</u>

Table 3 displays U.S. poverty rates for major geographically defined areas in 1992.³ The most notable pattern is that poverty rates are lowest for persons of every racial and ethnic group who live in metropolitan areas that are outside central cities. Throughout most of the table, namely in panels A, C, and D, whites experience higher poverty rates in central cities than in nonmetropolitan areas. In panel B, the panel for persons 65 years and over, whites face the highest poverty rates in nonmetropolitan areas. Both blacks and Hispanics experience their highest poverty rates in nonmetropolitan areas for all panels of the table. These nonmetropolitan poverty rates, however, are still relatively close to the central city rates.

Therefore, a general pattern emerges wherein the poverty rates of nonmetropolitan areas and central cities are similar in magnitude and higher than the rates for metropolitan areas that are outside central cities. In most cases, the nonmetropolitan poverty rate is higher than either metropolitan rate.

Therefore, the United States continues to face high nonmetropolitan poverty rates that, in most cases,

³The U.S. Bureau of the Census has not published poverty rates for central city, metropolitan, and nonmetropolitan areas since 1992. Further, the CPS public use samples do not provide all information on location that is necessary for producing these estimates. Consequently, we focus on the 1992 results for this discussion. Generally speaking, metropolitan areas are places with a minimum population of 50,000 persons; nonmetropolitan areas are places that contain fewer than 50,000 persons. Therefore, nonmetropolitan areas are not necessarily rural. A central city is the largest place within a metropolitan area. Areas outside central cities can be considered suburbs.

TABLE 3

Percentage of Individuals Below the Poverty Line, by Area, 1992

		. 1. 3		
		tropolitan ^a		
Canana	Central	Outside	No mana at ma a	To401
Group	Cities	Central Cities	Nonmetro ^a	Total
		A. All Persons		
White	15.6	8.3	14.2	11.6
Black	35.2	25.4	40.8	33.3
Hispanic ^b	33.7	22.2	36.7	29.3
	B F	Persons 65 and Over		
White	12.8	8.6	13.0	10.9
Black	34.0	29.0	35.3	33.3
Hispanic ^b	26.6	13.2	31.8	22.0
	C. Related C	Children under 18 in Far	nilies	
White	23.4	11.5	18.3	16.0
Black	50.2	35.3	52.2	46.3
Hispanic ^b	44.9	29.4	45.6	38.8
	D. Persons in	Families with Female	Heads	
White	37.3	24.5	31.8	30.2
Black	54.5	46.1	61.8	53.7
Hispanic ^b	56.8	39.4	57.4	51.2

Source: U.S. Bureau of the Census (1994, Tables 2, 3, and 8).

^aMetropolitan areas are those with a minimum population of 50,000 persons. Nonmetropolitan areas are those with less than 50,000 persons.

^bHispanics can be of any race.

rival those of metropolitan areas. While urban poverty is more concentrated than nonmetropolitan poverty, we should not neglect nonmetropolitan poverty.

Another way to look at location and poverty is to examine the percentage of the poor who live in different locations. The first three columns of Table 4 show that close to one-third of the white poor lived in each of the major types of locations in both 1985 and 1992, while this was not the case for blacks and Hispanics.⁴ In 1992, the majority of poor whites lived outside central cities and only a very small percentage (12.6 percent) lived in central city poverty areas.⁵

Blacks and Hispanics are much more likely to experience concentrated poverty than are whites. Roughly 60 percent of poor blacks and poor Hispanics reside in central cities. In addition, poor blacks and poor Hispanics are much more likely to be located in poverty areas, especially in central city poverty areas, than are poor whites. In 1985, only 28.4 percent of whites lived in poverty areas. The corresponding figure for blacks and Hispanics was 69.5 percent and 55.6 percent, respectively.

However, between 1985 and 1992, poverty did not become more concentrated in central cities and actually became less concentrated in central city poverty areas. In fact, the percentage of poor blacks and poor Hispanics living in central city poverty areas declined substantially over this period.

Another way to think about the distribution of poverty is to look at the racial composition of different areas and the racial composition of the poor population in different areas. First, let us look at the racial composition of the three types of areas. Table 5 shows that whites are underrepresented within central cities but still constitute the largest group in any area. Blacks and Hispanics are overrepresented in the central city and are underrepresented in nonmetropolitan areas and metropolitan areas outside the central city, which in 1980 and 1990 were close to 90 percent white.

⁴"Whites" includes Hispanic whites as well as non-Hispanic whites. Much of the published data we consulted does not allow us to make this distinction. In some cases, Hispanic whites may be double-counted since the race and Hispanic origin categories are not mutually exclusive. For instance, columns in Tables 5 and 6 sum to more than 100 percent due to the inclusion of Hispanic whites in both the white and Hispanic categories.

⁵In the published census data, poverty areas are defined as areas with poverty rates of 20 percent or more.

TABLE 4
The Distribution of Poverty

Group	Percentage of the Poor in Central Cities	Percentage of the Poor in Metro ^a Areas	Percentage of the Poor in Nonmetropolitan Areas	Percentage of the Poor in Central City Poverty Areas	Percentage of the Poor in Metro Poverty Areas	Percentage of the Poor in Nonmetropolitan Poverty Areas
			1985			
Whites	35.5	32.0	32.6	14.2	4.5	9.7
Blacks	60.9	16.6	22.5	47.4	7.6	14.5
Hispanics ^b	64.2	24.8	11.0	41.7	9.0	4.9
Mexican-Americans	54.8	30.1	15.1	31.3	13.0	7.1
Puerto Ricans	89.0	10.4	NA	75.5	.5	NA
Total Population	42.9	27.5	29.6	23.8	5.3	11.2
			1992			
Whites	34.5	36.3	29.3	12.6	3.4	8.6
Blacks	59.8	21.6	18.6	38.4	7.1	11.8
Hispanics ^b	59.9	30.7	9.4	32.8	6.1	4.0
Total Population	42.4	31.8	25.8	20.5	4.5	9.6

Sources: Harris and Wilkins (1988, Table 4.4); U.S. Bureau of the Census (1987, Tables 6, 12, and 16); U.S. Bureau of the Census (1994, Table 9).

^aMetropolitan, outside central cities.

^bHispanics may be of any race.

A comparison of figures in Tables 5 and 6 reveals that whites are underrepresented among the central city poverty population but still constitute the largest group of poor in the central cities in terms of sheer numbers. In 1990, 44.1 percent of the central city poor were white versus 38.2 percent who were black. Hispanics constitute the other large segment of the central city poverty population.

Blacks are overrepresented among the poverty population in each type of metropolitan area relative to their total population in each area. Hispanics and Asians demonstrate overrepresentation among the central city and metropolitan area poverty populations, with Hispanics increasing their proportional representation between 1980 and 1990. Finally, American Indians are highly overrepresented among the nonmetropolitan poverty population.

B. Characteristics of the Poor, 1980 and 1990

Another way to look at poverty is to examine the characteristics of individuals living in these different areas. Table 7 displays poverty rates as well as labor market and demographic characteristics of racial and ethnic groups according to metropolitan location.

In the first column of Table 7, we see that in 1980 about half of all whites lived in metropolitan areas outside the central cities, whereas the majority of blacks and Hispanics were located in central cities. Asians were evenly distributed, in very high proportions, between central cities and metropolitan areas. Finally, close to half of all American Indians resided in nonmetropolitan areas in 1980.

Across all racial and ethnic groups, central city and nonmetropolitan residents demonstrate lower labor force participation rates, higher rates of unemployment, and higher rates of poverty than their metropolitan area counterparts. More than one explanation accounts for this.

On one hand, Wilson (1987, 1996) has argued that more employment opportunities exist in the suburbs; this situation relieves metropolitan area residents from higher unemployment and poverty rates. Table 7 shows that labor force participation rates are highest among those located in metropolitan areas outside the central cities and lowest among those in nonmetropolitan areas, with the opposite pattern

TABLE 5

Composition of Population by Metropolitan Location

Group	Central Cities	Metro ^a Areas	Nonmetropolitan Areas
	1	980	
Whites	69.7	89.9	88.2
Blacks	22.5	6.1	8.8
Asians	2.5	1.6	.6
American Indians	.5	.4	1.3
Hispanics ^b	10.8	5.4	3.2
	1	990	
Whites	66.2	86.6	87.2
Blacks	22.0	6.9	8.7
Asians	4.3	3.0	.8
American Indians	.6	.5	1.8
Hispanics ^b	14.5	7.4	3.8
Mexican-Americans	8.2	4.7	2.9
Puerto Ricans	2.4	.6	.2

Sources: U.S. Bureau of the Census (1983, Tables 140 and 150); U.S. Bureau of the Census (1993c, Table 5).

^aMetropolitan, outside central cities.

^bHispanics may be of any race.

TABLE 6

Composition of Poverty Population by Metropolitan Location

Group	Central Cities	Metro ^a Areas	Nonmetropolitan Areas
	1	980	
Whites	46.7	75.8	72.5
Blacks	41.3	16.2	21.9
Asians	2.5	2.0	.6
American Indians	.7	1.0	2.9
Hispanics ^b	17.9	11.9	5.6
	1	990	
Whites	44.1	71.3	72.2
Blacks	38.2	16.0	19.8
Asians	4.6	3.3	.7
American Indians	.9	1.2	4.0
Hispanics ^b	23.3	17.4	7.2

Sources: U.S. Bureau of the Census (1983, Tables 149 and 159); U.S. Bureau of the Census (1993c, Tables 38, 93, 94, 95, 96, and 97).

^aMetropolitan, outside central cities.

^bHispanics may be of any race.

TABLE 7

Population and Labor Market Characteristics of Persons in Various Geographical Areas, 1980

Area	Distribution of Population (%)	Persons in Poverty (%)	Median Age	Families with Female Heads (%)	Population 16 and Over in Labor Force (%)	Labor Force 16 and Over Unemployed (%)	Population 25 and Over with Less Than High School Diploma (%)	Foreign Born (%)	Families with Children Under 18 Years (%)
	•		-	WHI	ΓES	-	-	-	•
Central cities	25.0	11.1	31.8	14.7	62.0	5.7	31.1	8.4	45.0
Metro ^a	48.3	6.7	31.0	10.0	64.5	5.4	27.2	5.0	51.3
Nonmetropolitan	26.6	12.7	31.2	9.0	58.2	6.7	38.7	1.7	50.1
				BLAC	CKS				
Central cities	57.8	30.0	25.4	41.6	59.2	12.8	46.5	3.8	61.4
Metro	23.3	22.1	24.6	30.2	64.9	9.6	41.3	3.1	64.5
Nonmetropolitan	18.9	39.0	23.9	31.8	53.2	11.6	65.7	.8	57.7
				HISPA	NICS ^b				
Central cities	50.3	26.8	23.5	24.3	62.3	9.3	58.8	29.6	67.8
Metro	37.3	17.7	23.2	14.5	66.5	8.3	50.3	31.6	68.6
Nonmetropolitan	12.4	27.3	21.9	14.1	58.5	9.7	62.4	15.1	67.8
				ASIA	NS				
Central cities	46.4	16.1	28.9	12.4	66.4	4.8	28.6	62.6	57.3
Metro	44.9	9.5	28.1	9.0	68.1	4.5	19.8	57.3	67.3
Nonmetropolitan	8.7	15.3	27.4	11.4	60.0	5.9	33.7	43.4	60.2
				AMERICAN	INDIANS				
Central cities	21.7	24.5	24.9	28.9	62.9	12.3	36.4	5.0	64.6
Metro	29.4	18.8	24.8	18.6	64.0	11.0	37.7	3.0	65.0
Nonmetropolitan	48.9	34.0	21.5	22.4	52.7	15.3	53.3	1.1	67.5

Sources: Harris and Wilkins (1988, Table 4.5); U.S. Bureau of the Census (1983, Tables 140, 141, 142, 143, 144, 149, 150, 151, 152, 153, and 159).

^aMetropolitan, outside central cities.

^bHispanics may be of any race.

prevailing for unemployment rates. This pattern is consistent across all racial and ethnic groups, except for the unemployment rate of central city blacks.

On the other hand, metropolitan area residents may possess human capital and demographic characteristics that are more favorable for securing employment and avoiding poverty. Those with the willingness and the financial ability to live in the suburbs are more likely to be those with high endowments of financial and human capital in the first place. For instance, the proportion of high school dropouts is generally lowest in metropolitan areas and highest in nonmetropolitan areas. The high school dropout rate is especially high among blacks, Hispanics, and American Indians living in nonmetropolitan areas.

There seems to be evidence for both arguments regarding employment in metropolitan areas, and perhaps for an interaction between the two. Within each racial and ethnic group, residents of metropolitan areas display higher rates of high school graduation, encounter better labor market conditions, and not surprisingly also demonstrate lower rates of poverty than those living elsewhere. More foreign-born residents and female heads of families reside in central cities, which may explain, in part, the high rate of poverty among central city residents.

However, low levels of educational attainment, weaker attachments to the labor market, and high rates of poverty are not unique to central city residents; they also confront those members of all racial and ethnic groups living in nonmetropolitan areas. With the exception of Asians, the poverty rate among all groups is highest in nonmetropolitan areas, with very high rates being found among American Indians and blacks. Nonmetropolitan blacks display higher rates of poverty than blacks in central cities; however, because three times more blacks live in central cities than in nonmetropolitan areas, the majority of poor blacks reside in central cities, as shown in Table 4.

Table 8 updates the figures from Table 7. Among each racial and ethnic group, the metropolitan distribution of the population in 1990 was similar to that in 1980. Once again, poverty rates remained lowest in metropolitan areas and highest in nonmetropolitan areas, except for Asians.

As a whole, the poverty rate increased slightly between 1980 and 1990, from 13.0 percent to 13.5 percent. The rate of poverty stayed relatively stable or increased somewhat among all groups, except for blacks in metropolitan areas. Poverty rates increased most notably among Hispanics, American Indians, and central city Asians. Tables 7 and 8 also show that in both 1980 and 1990, blacks, Hispanics, and American Indians were two to three times more likely to be mired in poverty than whites living in the same type of metropolitan area.

Similar to patterns in 1980, labor force participation rates in 1990 were highest in metropolitan areas and lowest in nonmetropolitan areas. Unemployment rates were lowest in metropolitan areas and higher in nonmetropolitan areas than in central cities, except among blacks and Asians. The percentage of families headed by females continued to be highest in central cities. Finally, in 1990 the percentage of high school dropouts was lowest among metropolitan residents and highest among nonmetropolitan residents, with central city Asians representing the only exception to this pattern.

Between 1980 and 1990, the percentage of female-headed families increased among all groups, although most notably among blacks living in central city and nonmetropolitan areas. Labor force participation rates increased among almost every group between 1980 and 1990, but so did unemployment rates, except among whites, non-Hispanic metropolitan residents, and Asians living in nonmetropolitan areas. The percentage of high school dropouts declined among all groups. Finally, the percentage of foreign-born residents increased over time among Asians and Hispanics. In 1990, 63 percent of Asians and 36 percent of Hispanics were foreign born.

TABLE 8

Population and Labor Market Characteristics of Persons in Various Geographical Areas, 1990

Area	Distribution of Population (%)	Persons in Poverty (%)	Median Age	Families with Female Heads (%)	Population 16 and Over in Labor Force (%)	Labor Force 16 and Over Unemployed (%)	Population 25 and Over with Less Than High School Diploma (%)	Foreign Born (%)	Families with Children Under 18 Years (%)
	Г		T	ı	ITES	Γ	Γ		1
Central cities	25.8	12.0	34.0	16.0	65.2	5.7	21.9	8.6	43.7
Metro ^a	49.8	6.6	34.4	11.1	67.8	4.5	19.0	4.9	46.5
Nonmetropolitan	24.4	13.9	35.0	10.7	60.8	6.1	28.6	1.4	46.7
				BLA	CKS				
Central cities	57.3	31.1	28.5	48.0	61.9	14.4	36.6	5.7	55.7
Metro	26.4	19.5	28.2	34.4	69.0	9.5	31.0	5.7	58.6
Nonmetropolitan	16.2	39.6	27.7	40.6	55.4	13.6	51.6	.6	55.8
				HISPA	NICS ^b				
Central cities	51.5	28.6	25.7	26.3	66.5	11.3	53.3	37.3	64.2
Metro	38.9	19.1	25.7	16.4	70.2	8.9	45.3	37.6	64.6
Nonmetropolitan	9.6	32.7	24.4	16.7	61.5	12.0	53.7	20.6	65.7
				ASI	ANS				
Central cities	46.5	19.1	29.9	13.6	65.3	6.1	27.2	67.2	56.1
Metro	47.4	9.0	30.5	10.0	70.3	4.6	17.3	61.5	62.6
Nonmetropolitan	6.2	16.0	28.3	12.9	63.0	5.6	26.1	44.2	58.9
				AMERICA	N INDIANS				
Central cities	23.3	28.2	27.8	33.0	65.9	13.2	29.4	5.4	60.1
Metro	28.0	19.8	29.2	20.7	67.6	9.9	28.8	2.9	57.9
Nonmetropolitan	48.6	38.6	25.0	26.4	56.4	18.5	43.6	.6	62.8

Source: U.S. Bureau of the Census (1993c, Tables 6, 7, 8, 9, 10, 51, 52, 53, 54, and 55).

^aMetropolitan, outside central cities.

^bHispanics may be of any race.

Table 9 provides data on the characteristics of foreign-born Asians and Hispanics and their native-born counterparts.⁶ Poverty rates among native-born and foreign-born Hispanics are quite high but not tremendously different from one another, while a sizable difference exists among foreign-born and native-born Asians. Among Asians, differences exist among native-born and foreign-born residents with respect to median age, unemployment rates, percentage of high school dropouts, and percentage of families with children. Perhaps not surprisingly, poverty rates also differ among these two groups.

Among Hispanics, differences in median age, percentage of female headed families, labor force participation rates, and the percentage of high school dropouts exist according to nativity. However, unemployment rates are exactly the same and poverty rates are quite similar.

C. <u>Poverty Trends by Groups</u>

The figures presented in this chapter demonstrate that poverty assumes qualitatively different forms among various racial and ethnic groups. In 1990, American Indians displayed the highest poverty rate among all groups. Their poverty is largely a nonmetropolitan phenomenon. Although the percentage of high school dropouts has declined among American Indians, those living in nonmetropolitan areas still experience high levels of high school dropout. While the labor force participation rate of American Indians living in nonmetropolitan areas has increased slightly over time, it still remains relatively low.

Among this group, unemployment rates hover around 20 percent, poverty rates around 40 percent.

The Hispanic poverty rate stood at 25.3 percent in 1990 but climbed to 30.3 percent in 1995. In many ways, patterns of Hispanic poverty have come to resemble those of black poverty. Hispanic poverty is concentrated in central cities, in areas of concentrated poverty, and in central city poverty areas. By 1990, the poverty rate among Hispanics living in central cities was almost comparable to that among

⁶Detailed data are available only for 1990, so no cross-time comparisons can be made. In addition, nativity and metropolitan location are not cross-classified in the published census data, so no finer classifications than those presented in Table 9 can be arrived at.

TABLE 9

Population and Labor Market Characteristics of Persons By Nativity, 1990

Group	Percent of Population (%)	Persons in Poverty (%)	Median Age	Families with Female Heads (%)	Population 16 and Over in Labor Force (%)	Labor Force 16 and Over Unemployed (%)	Population 25 and Over with Less Than High School Diploma(%)	Families with Children Under 18 Years (%)
				HISPANICS ^a	(,*)	(,*)		10 1000 (70)
Native born	64.2	25.1	19.6	25.2	65.6	10.4	39.2	62.4
Foreign born	35.8	25.7	32.1	17.5	69.7	10.4	61.6	66.9
				ASIANS				
Native born	36.9	10.6	15.6	13.6	69.1	4.7	13.6	46.8
Foreign born	63.1	16.2	35.2	11.3	67.0	5.5	24.9	62.9

Sources: U.S. Bureau of the Census (1993b, Tables 1, 2, 3, 4, and 5); U.S. Bureau of the Census (1993a, Tables 1, 2, 3, 4, and 5).

^aHispanics may be of any race.

blacks in central cities (see Table 8), and by 1994, the overall poverty rate among Hispanics actually eclipsed the rate among blacks (U.S. Bureau of the Census, 1997).

Hispanics living in central cities are also confronted with relatively high percentages of families headed by females, double-digit unemployment rates, and very high percentages of high school dropouts—more than 50 percent. Native-born Hispanics differ from foreign-born Hispanics across a number of labor market and demographic characteristics. Foreign birth alone, however, cannot explain high levels of Hispanic central city poverty since foreign-born and native-born Hispanics display similar rates of poverty and since foreign-born Hispanics are as likely to settle in central cities as they are in metropolitan areas.

White poverty exists at lower levels than poverty among all other groups considered. At the same time, whites still represent the single largest component of the poverty population overall and across each type of metropolitan area. White poverty is distributed fairly evenly across metropolitan areas and is unlikely to be concentrated in poverty areas, especially in central city poverty areas. In 1992, only 24.6 percent of poor whites lived in areas of high poverty concentration, compared to 57.3 percent of blacks and 42.9 percent of Hispanics.

Asian poverty exists at higher levels than does poverty among whites, but like the white poverty rate, the Asian poverty rate is of much smaller magnitude (about half as large) than that of blacks, Hispanics, and American Indians. Asian poverty is higher among the foreign born and is more likely to exist in central cities. In 1990, 64 percent of all poor Asians were living in central cities, and the central city Asian poverty rate stood at 19.1 percent. However, like the pattern found among Hispanics, the high poverty rate for central city Asian residents cannot be attributed completely to larger proportions of foreign-born people. While foreign-born Asians are more likely to reside in central cities than in metropolitan areas, the difference is relatively small, as shown in Table 8.

Black poverty is multifaceted. Although concentrated in central cities, it is not solely nor exclusively a central city phenomenon. In 1992, 60 percent of poor blacks lived in central cities and fully 38 percent of poor blacks lived in high-poverty central city areas. In addition, blacks are highly overrepresented among the central city poverty population.

Only one in five poor blacks resides in nonmetropolitan areas, but black rural poverty runs deep. In 1990 the black nonmetropolitan poverty rate was just under 40 percent. Blacks constituted 8.7 percent of the nonmetropolitan population but 19.8 percent of the nonmetropolitan poverty population. The percentage of black female-headed families and the black unemployment rate are very high in both nonmetropolitan areas and in central cities, although higher in the latter. The percentage of high school graduates and labor force participation rates are low in both types of areas, but especially so in nonmetropolitan areas. The point is that poverty rates are high in both areas, as are all the factors just mentioned. High levels of poverty and the conditions leading to poverty are not unique to the central city. Wilson (1996) mentions that a majority of people are not working in several central city neighborhoods. The data in Tables 7 and 8 show that this is the case in the central cities but to an even greater extent in nonmetropolitan areas.

Our review of trends in poverty since the late 1960s suggests several conclusions. First, the overall level of poverty in the mid-1990s was roughly the same as the overall level of poverty in the late 1960s. Although the level of poverty fluctuated during this period, we have made no progress in permanently reducing the rate of poverty since the Kerner Commission report. Second, poverty is more prevalent in nonmetropolitan areas and the central cities than in metropolitan areas outside central cities. It is inappropriate to regard poverty as a solely urban problem. Third, Hispanics and American Indians, as well as African Americans, continue to experience much higher rates of poverty than do whites. Asian poverty rates are intermediate between those of whites and other minority groups. Poverty is not just a black problem, and urban poverty is not just a black problem. Finally, the factors associated with poverty

seem to be similar across geographical areas and across racial and ethnic groups: low levels of education, low levels of labor force participation, high levels of unemployment, and high rates of families with single heads.

III. FIGHTING POVERTY SINCE 1968

The major lesson we have learned about poverty since 1968 is that permanently reducing poverty is more difficult than was anticipated during the 1960s. Some interpret this as evidence that the government cannot be successful in permanently reducing poverty, while others see this as evidence that the government has not done enough to try to reduce poverty.

It is instructive to review trends in poverty policy during this period. As Danziger, Sandefur, and Weinberg (1994) have pointed out, the years following President Lyndon Johnson's declaration of a "war on poverty" in 1964 were characterized by an expansion of existing antipoverty programs and the introduction of new ones. Among the programs expanded or introduced during the War on Poverty era, and that continue to exist, are Medicare, Medicaid, Food Stamps, Head Start, elementary and secondary educational assistance, and manpower development (training) programs. Many of these programs have substantially improved the lives of the poor and near-poor over what their lives would have been like in the absence of these programs. This era was characterized by great optimism about the ability of government to eliminate or at least to substantially reduce poverty in the United States.

This optimistic view of the government's ability to deal with poverty and to solve other difficult social problems was severely challenged by the oil shocks, slow economic growth, and high inflation of the 1970s. Pessimists began to argue that government had grown too large and had become a drag on economic growth, and that government programs provided disincentives for Americans to work and save. By 1982, this pessimistic view of the ability of government to solve social problems had become official policy.

During the 1980s, the government emphasized policies designed to promote economic growth, and antipoverty policy was not a priority. Legislated changes in unemployment insurance and welfare reduced the antipoverty effectiveness of the federal safety net. In 1980, federal spending on employment and training programs amounted to \$9.3 billion in constant 1986 dollars, but this had fallen to \$3.7 billion in 1986 and remained at roughly that level in the early 1990s. The 1980s witnessed a 7-year economic recovery, but this recovery did not lead to a substantial reduction in poverty. Indeed, as Danziger and Gottschalk (1993) have observed, instead of a period in which rising tides lifted all boats, this was a period of uneven tides. The poor and the middle class hardly benefitted from the recovery. The gaps between the poor and the rich and between the middle class and the rich widened.

By the late 1980s, the national experience of high poverty rates during an economic recovery prompted a rejection of a hands-off approach to poverty and the adoption of several important pieces of legislation. These included the Tax Reform Act of 1986, the Family Support Act of 1988, and the Budget Summit Agreement of 1990. This flurry of legislation reflected a bipartisan agreement to reform tax and welfare policies for the poor. The emphasis was on helping people work their way to a better life. The climate of antipoverty policy at the beginning of the 1990s was one which viewed the elderly and disabled as in need of expanded income support, but which viewed the able-bodied low income population as a group that should be expected to work to overcome their poverty.

Although the country made major changes in its efforts to fight poverty in the late 1980s and early 1990s, the welfare reform train that left the station in the late 1980s had not yet reached its ultimate destination. Presidential candidate Bill Clinton campaigned on a platform that included the pledge to "end welfare as we know it." The Clinton welfare reform plan was never enacted, however, and was replaced by a bipartisan agreement that emphatically eliminated the major cash assistance program for the poor, Aid to Families with Dependent Children (AFDC). We are, indeed, in a completely new era of antipoverty policy, one that differs from the War on Poverty as dramatically as the War on Poverty

differed from previous policy. Among the most startling differences are (1) the discontinuation of the federal guarantee of support to poor children who are eligible for support and (2) the "devolution" of responsibility for many antipoverty efforts from the federal level to the state level.

The current centerpiece of federal efforts to deal with poverty and its related problems is the 1996 Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA). This legislation emphasizes the personal responsibility of poor people to confront their own problems and to behave in ways that enable them to deal with poverty by escaping it or living with it. Although the legislation was endorsed by many Democrats as well as most Republicans, and enthusiastically signed by President Clinton, it is closely related to the poverty agenda of the broader Contract with America.

The Contract with America, drafted in 1994 by Republican hopefuls running for seats in the U.S. House of Representatives, clearly presented a different direction for the role of government. The policies in the Contract were designed to restrict and limit the role of the federal government rather than to expand it. The Contract represented an attempt to scale back government programs, government involvement, and government spending, and at the same time to emphasize individual responsibility. As a result, the Contract included proposals for fewer government regulations, pared-down government programs, and reductions in taxes. As noted in the document itself, the Contract is based on five principles: individual liberty, economic opportunity, limited government, personal responsibility, and security at home and abroad (Gillespie and Schellhas, 1994).

PRWORA attempts to address other social problems that disproportionately affect central cities, namely illegitimacy and welfare dependency. First, AFDC, in existence since 1935, has been eliminated. States now have the primary responsibility for administering their own welfare and work training programs and are given block grants to fund them. This constitutes the essence of the Temporary Assistance for Needy Families (TANF) program. Under TANF, welfare receipt is now temporary and transitional in nature. Recipients are required to work within 2 years of originally receiving benefits or

they will be dropped from the states' rolls. In addition to the 2-year time limit, recipients are allowed to receive benefits for only 5 years over the course of their lives. It should be noted that additional federal money will be provided to states experiencing high unemployment and that exemptions to the time limits will be allowed for hardship cases and in the event that a recipient cannot find child care for a child under 6 years old.

In an attempt to discourage teenage pregnancy and illegitimacy, provisions were proposed to deny or restrict welfare benefits to mothers who had out-of-wedlock births. These provisions were not enacted, but most states are adopting programs that do not increase benefits for families that have additional children while on welfare. This has the effect of reducing real benefits for children already in the family when a new child joins the family.

IV. AN ALTERNATIVE SET OF ASSUMPTIONS

Our current approach to poverty emphasizes personal responsibility: We expect people to work if possible and to make responsible reproductive decisions. Unemployment and out-of-wedlock childbearing are significantly associated with poverty. Unfortunately, our current emphasis on personal responsibility ignores some important features of poverty, such as the fact that not all jobs enable people to support themselves and their families, or that much of out-of-wedlock childbearing is unintended. Over the next several years, it will become increasingly clear that our current approach to dealing with poverty may reduce the number of women with children who receive cash assistance, but it will not reduce the number of women with children who are poor. Further, it will do little to decrease poverty among individuals in other kinds of living arrangements.

Since 1968, social policy has repeatedly ignored a critical feature of poverty in our society in spite of admonitions from those who study and work with the poor. This feature is that our economy generates a large number of jobs that do not provide sufficient levels of earnings to permit individuals to

support themselves and their families. In the past many women chose welfare over these types of jobs, or they illegally combined welfare and work in order to make ends meet (Edin and Lein, 1997). We are now forcing them to take these kinds of jobs, but they will not be substantially better off in the short run or the long run. The initiatives proposed recently by President Clinton to expand child care and health insurance will help, but they will still not turn bad jobs into good jobs. They also will not substantially reduce the large numbers of working poor in our society.

If we were to assume that most poor people are poor not because they choose to be but because the nature of the American economy generates a certain level of unemployment and poverty, we would try a different way of dealing with poverty. Recently, some have argued that two of the major problems intertwined with poverty—drugs and out-of-wedlock childbearing—should be considered primarily as public health issues rather than primarily as moral failures (see, for example, Brown and Eisenberg, 1995, for a discussion of the role of unintended pregnancies in out-of-wedlock childbearing, and Nadelmann, 1998, for a discussion of the implications of treating drugs as a public health issue.). What if we broaden our public health focus and think of poverty itself as a public health issue? What kinds of policies would we devise to replace the current efforts?

First, we must recognize that the American economy will always produce a certain level of unemployment and poverty. Individuals will have different risks of being poor at some points in their lives. We know a good deal about what the major risk factors are—too little education, few skills, and, for women, single parenthood. The levels of unemployment and poverty will vary over time with the overall health of the economy, but even in the best of times, some people will be without work and some people, unemployed and employed, will be poor. Second, most people will be poor for rather short periods of time because of a job loss or changes in their family situation, while others will be poor for longer periods. The latter situation occurs largely because some families or heads of families have characteristics that make it difficult for the family head to earn enough money in the labor market to

support a family at an income above the poverty line. Some people, in fact, are incapable of working much at all because of physical or emotional problems. In some cases, the past behaviors of these people, such as drug or alcohol abuse, have produced their problems. Their children, nonetheless, deserve a chance at a decent life.

President Clinton's recent proposals to expand funding for child care, expand our ability to provide health insurance to children, and restore Food Stamps to immigrants are notable steps in the right direction. In effect, we are already moving back in the direction of helping individuals fight against their impoverished situations. Nonetheless, the myth that no one need be poor as long as they play by the rules continues to characterize much public discussion of poverty. Our economy will produce poor people and we have to give them more help than we are currently giving them so that they and their children have a real chance at a better life.

V. CONCLUSIONS

Although much has changed in the poverty picture since 1968, the level of poverty in our country has not permanently declined since then. Overall, the poverty rate is highest in central cities, standing at 20.6 percent in 1995, well above the national rate of 13.8 percent. In 1992, 42 percent of all poor people resided in central city areas, although only 30 percent of all Americans lived in such areas. For these reasons, it is perhaps not surprising that urban poverty captures a large share of the public imagination. In addition to concentrated poverty, phenomena associated with the inner city—such as higher rates of violent crime, higher rates of welfare use, and episodes of violent unrest—undoubtedly tend to focus attention on urban areas and on urban poverty.

Nonetheless, we feel that poverty in metropolitan areas and nonmetropolitan areas is *also* worthy of acknowledgment and attention. The data show that poverty is not simply a central city phenomenon.

The majority of the poverty population actually lives outside the central city, and only about 20 percent

of all poor people live in central city poverty areas. Consistent with this, Jargowsky (1997) has pointed out that "about seven in eight poor persons [do] not live in ghettos and barrios (defined by poverty rates of 40 percent), contradicting the often implicit assumption that poverty is synonymous with the inner city" (p. 71).

In 1990, poverty rates were actually higher in nonmetropolitan areas than in central cities among whites, blacks, Hispanics, and American Indians. Extremely high levels of joblessness and poverty confront blacks and American Indians living in nonmetropolitan areas.

Finally, we contend that the socioeconomic conditions of groups other than whites and blacks are worthy of attention, especially given the growing racial diversification of the American population, a trend which is most apparent in central cities (see Table 5). As Harrison and Bennett (1995) appropriately noted:

A new Kerner Commission would certainly agree, 25 years later, that poverty, employment problems, economic dislocation, and family instability are barriers at least as important as racism and discrimination to the exclusion, not only of blacks, but also of Hispanics, American Indians, and some Asians, from full and equal participation in American society (p. 200).

Indeed, the data show that poverty does not simply confront whites and blacks. Although whites are underrepresented among the poverty population, they still represent the largest racial group among the poor. Blacks represent a large proportion of the poverty population, as do Hispanics. Finally, high rates of poverty are not the domain of a single racial or ethnic group. In 1990, blacks, Hispanics, and American Indians all experienced poverty rates in excess of 25 percent. The current composition of the population and the poverty population is much more complex than it was 30 years ago, and thus it is arguably no longer relevant to refer to the existence of "two societies, one black, one white."

Finally, we argue that politicians and policy-makers should shift their view of poverty from one that sees it primarily as a personal failure to one that sees it primarily as a creation of our economy.

Poverty is, in effect, a public health issue. Further, poverty is in some ways the cost of the affluence that

a substantial majority of the country enjoys. The cost of our affluence is borne disproportionately by the young, members of minority groups, and those in the central cities and nonmetropolitan areas. Our focus should be on shortening the time that the poor remain poor and on ameliorating the effects of poverty.

At the time of the Kerner Commission report in 1968, the country had already committed itself to fight poverty, and many were optimistic about our chances to succeed. The battle turned out to be more difficult than anticipated, and the world has changed dramatically since then. Our current approach to poverty represents a failure of national will and political courage. We have simply given up at the federal level and thrown it to the states. Shame on us.

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