Why Poverty Matters
to our Children, Families, and Schools

**Office of the Pima County School Superintendent
Summer Institute**

June 1, 2016

COMPLEX and HISTORIC

- The Bible contains 300 passages on the poor
- Divides our political discourse
- Many misconceptions
- Most of us, *including most decision-makers*, are on the outside looking in
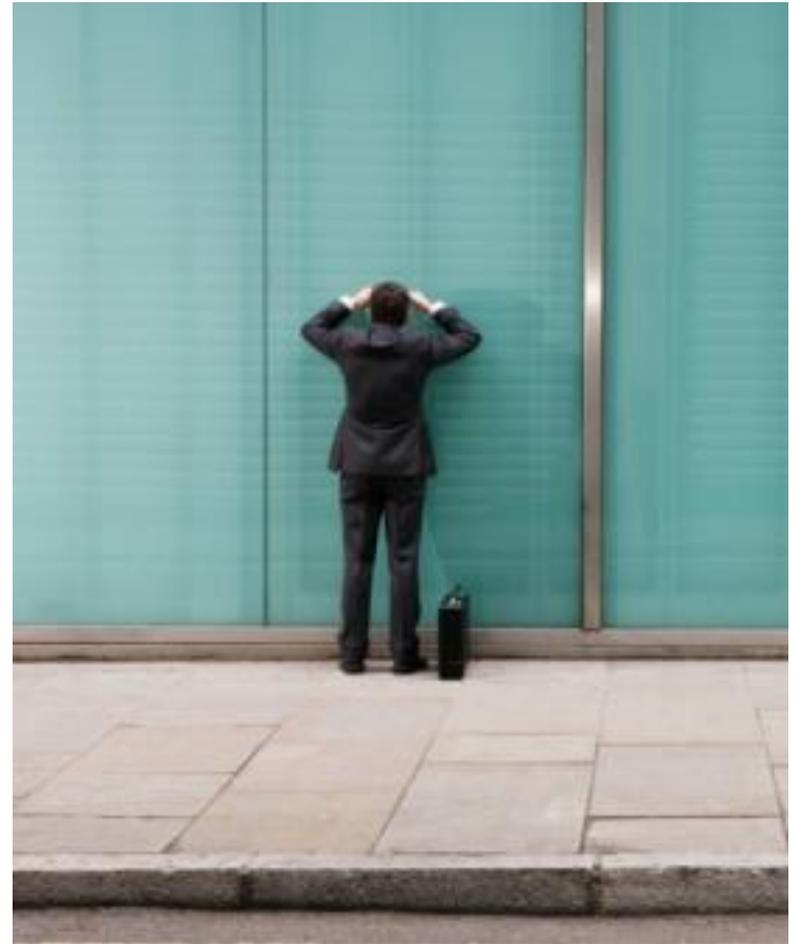
Poverty is expensive

⊙It is a drain on resources
⊙It is a waste of human potential
⊙It impacts the next generation
⊙It limits our capacity to have full and meaningful relationships

We can't have a **sustainable community** unless we address poverty in more effective ways

Economic class

- Economic class is a continuous line, not a clear-cut distinction.
- We all have our own stories of economic class

- ❑ This work is based on patterns.
  - ❑ Patterns have exceptions.
- If we understand patterns…
  - – We can change outcomes.

Poverty ...   Middle Class ....   Wealth

F O O D

When you are deciding what to eat, what are you thinking about?

FOOD

POVERTY

Key question: Did you have enough?

Quantity important

MIDDLE CLASS

Key question: Did you like it?

Quality important

WEALTH

Key question: Was it presented well?

Presentation important

Few Resources...   More Resources... Abundant Resources

"We know that a child's life expectancy is predicted more by his ZIP code than his genetic code."

- To effectively reduce poverty *and* poor health

we must address both.

- Insufficient education
- inadequate housing
- racism
- food insecurity

are also indicators of poor health.

- *Investing in What Works for America's Communities*
  RWJF President and CEO Risa Lavizzo-Mourey

"Poverty as a childhood disease"

May 13, 2013

Dr. Perri Klass:

Think for a moment of poverty as a disease, thwarting growth and development, robbing children of health, happy futures they might otherwise expect.

The New York Times

Poverty in this country is now likely to define many children's life trajectories in the harshest terms: *poor academic achievement, high dropout rates, and health problems from obesity and diabetes to heart disease, substance abuse, and mental illness.*

Unstable …   Stable …   Very Stable …

Poverty is stamped into DNA in childhood *and stays there*

"**For each decrease of one year in parental home ownership, the participants' odds of developing a cold increased by approximately 9 percent.**"

A poorer upbringing increases people's susceptibility to colds later in life, something they can't shake even if they climb the socioeconomic ladder.

Frozen social mobility

More than 6 in 10 children born into the lowest income quintile will never make it into the middle bracket.

Those in the top quintile, almost 4 in 10 stayed in the top.

Researchers call it "stickiness at the ends," where those at the top or bottom of income distribution tend to stay there.

Economic class is a fault line that runs through our communities

Separated by geography and by opportunity

The double divide: social and income

- "The rising inequality is beginning to produce a two-tiered society in America in which the more affluent citizens live lives fundamentally different from the middle- and lower-income groups."

William Julius Wilson

One in **4** Tucsonans

	U.S.	South Bend	AZ	Pima County	Tucson City
Individuals	15.7%	28.2%	18.3%	19.5%	25.9%
Families*	18.4%	36.6%	21.4%	22.6%	29.4%
Single Female Households*	40.6%	57.2%	40.1%	41.7%	46.1%
Children Under 18	22.2%	43.6%	26.1%	28.1%	35.7%

*With related children under 18 years
Source: **2010-2012 American Community Survey 3-Year Estimates**
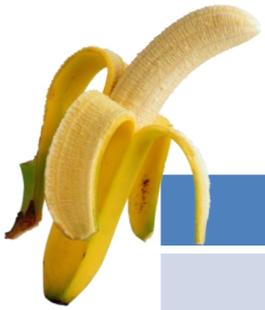
Free and Reduced Lunch Rates 2014	
Arizona	58%
Pima County	53.2%
Sunnyside School District	76.7%
TUSD High School average	77.42%

F R E E   A N D   R E D U C E D   L U N C H

40% tipping point

Children of Color experience poverty at the highest rates

1. Of adults, 13.5% live in poverty.
2. **One in five children** live in poverty (21.1%).
3. For children under the age of 5, **one in four** (24%) live in poverty.
4. For children of color, **one in 3** live in poverty.

	Children (%)		Young adults in poverty (%)	Total (in millions)
	Poverty	Deep poverty		
African American	**37.1%**	**18.2**	**29**	4.1
Hispanic	**31.9**	**12.9**	**16.1**	4.7
White	12.3	5.4	22.4	**5.7**
Asian			19.8	

When poverty **reaches a point of critical mass in a community** (or area of a community) the people with the most resources tend to move out, leaving behind pockets of poverty.

Then, a community becomes more unstable and unsustainable, creating a downward spiral.

40% Tipping Point
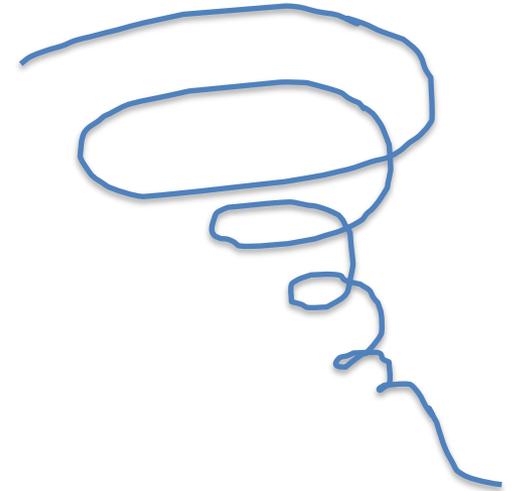
The Bridge Out of Poverty

SJC Bridges Intervention

BENEFITS CLIFF*

Stable

many organizations
work in this area:

Managing poverty

Economically Fragile

Barely Stable

←**S a f e t y   N e t**→

* The Benefits Cliff: Between $8 and $14 an hour, a parent on public assistance loses more in benefits than is gained in income, creating more instability.

South Bend Population:

65%
women with children under age 5

25%
individuals

4 out of 5 adults at **150%** or lower ← for 1 year+

53%
single mothers and their children

33%
families

0%

POVERTY THRESHOLD: 100%
Family of 4: $23,100

200%
Family of 4: $46,200

Without intervention…

In the body, *poverty accumulates*
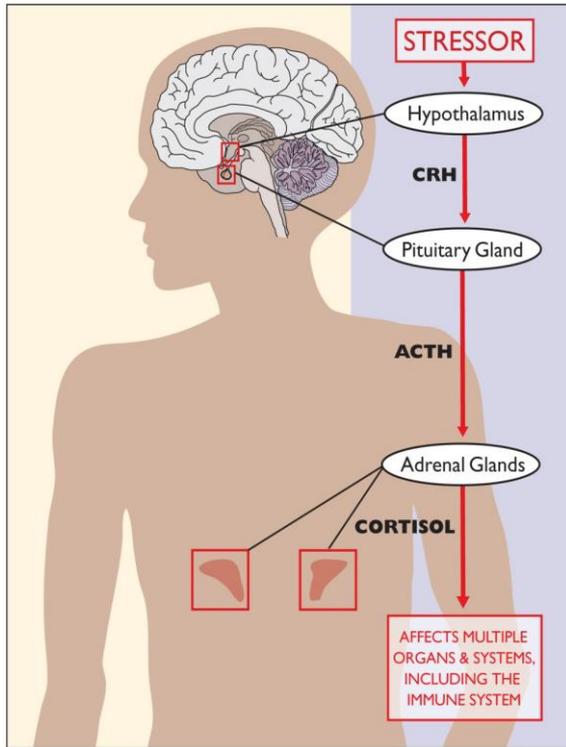
In our communities, *poverty concentrates*

Finding the **double win**

| Better outcomes for people in poverty | Reduced community costs |

- People in poverty are our neighbors, parents, voters, workers, and leaders – *present and future.*

- **Community stability is built on family and neighborhood stability.**

- There is a **business case** that can be made for addressing poverty effectively.

Asthma rates highest in poor neighborhoods

- "The health of a neighborhood doesn't just rely on the decisions an individual makes, but on the resources that are available to them in that neighborhood."
- *NYC's Health Commissioner Mary Bassett*
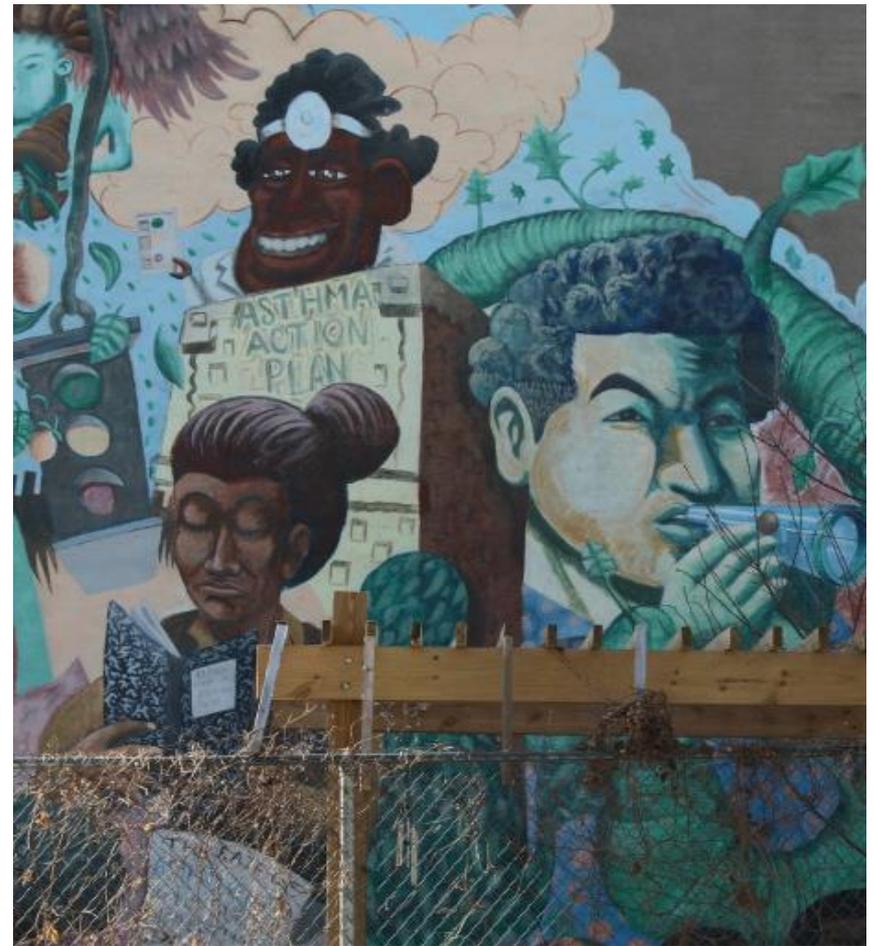
The $2,744,000 difference

Avoidable Hospital Admissions for Asthma			
	# adults per 100,000	# children per 10,000	Total cost
	$6000	$3600	
Bed-Stuy	531	54	$3,340,400
Bay Ridge	94	9	$596,400

What *is* poverty?

How do we measure it?

US Official Poverty Guidelines: 2013

Family Size	Annual Income*
Four	$ 24,300
Three	$ 20,160
Two	$ 16,020
One	$ 11,880

Source: U.S. Department of Health & Human Services .

BRIDGES' DEFINITION OF POVERTY

"The extent to which an individual does without resources."

Situational Poverty: A lack of resources due to a particular event (divorce, natural disaster, etc.)

Generational Poverty: Having been in poverty for at least two generations
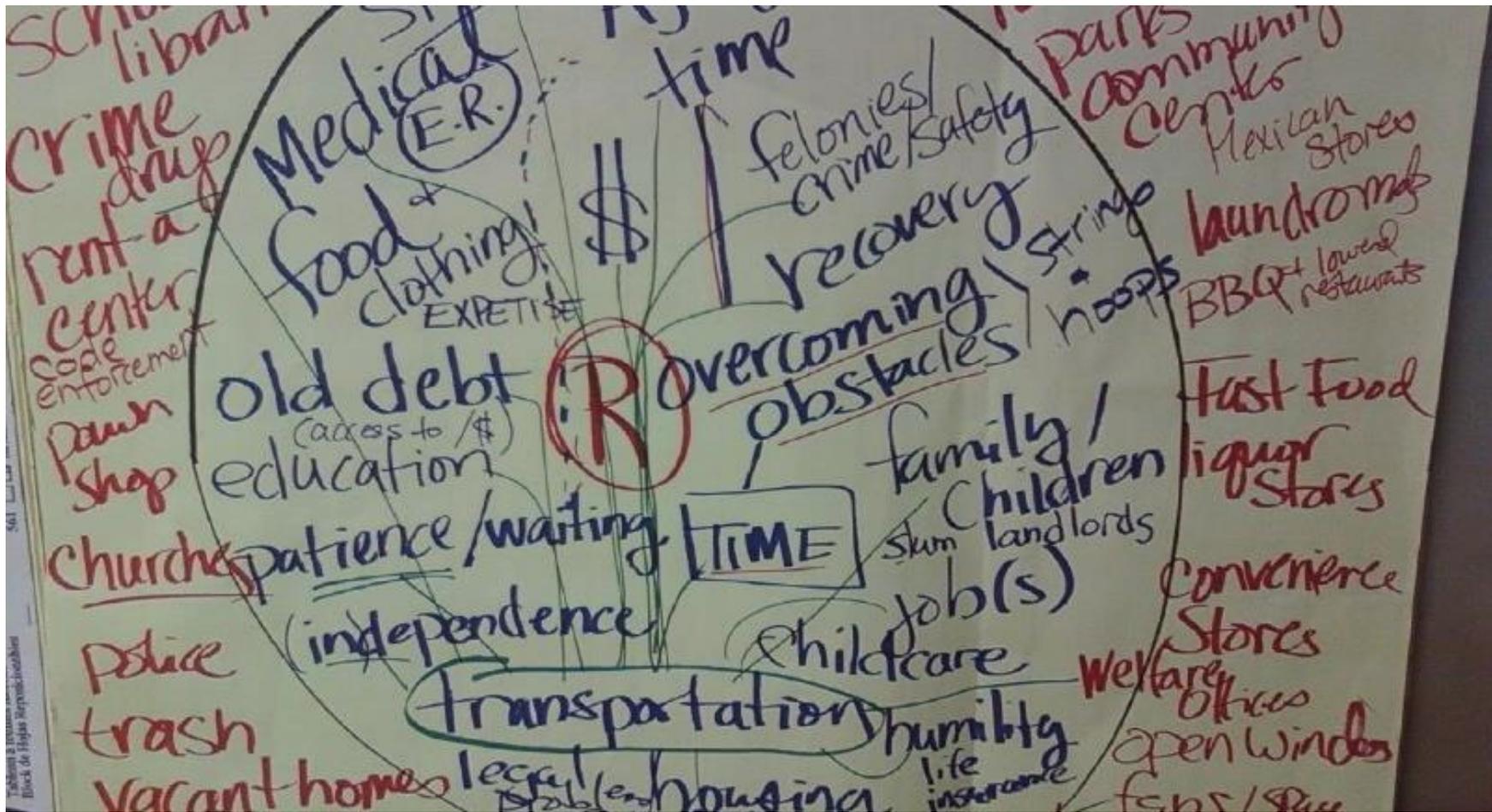
In poverty, life is falling apart

Without enough resources to fix it

The

Equation

of Poverty

Lack of Resources

+ Instability

+Stress

+Environment

(which includes structures and systems... or lack of)

+ Coping strategies

_____

= Poverty

The *Stress* of Poverty

- Poverty-related concerns **consume mental resources, leaving less** for other tasks.

- Roughly the **same results** found in people subjected to a night with **no sleep**.

- = a drop of as much as **13 points in their IQ —**

*"Poverty is the equivalent of **pulling an all-nighter.**

Picture yourself after an all-nighter.*

Being poor is like that every day."

TYRANNY OF THE MOMENT

"The need to act overwhelms

any willingness

people have to learn."

Source: *The Art of the Long View* by Peter Schwartz

The Tunnel of Scarcity

- Scarcity captures the brain and leads people into a tunnel.
- **Your only focus is solving the emergency of the moment.**
- You can't notice what is outside the tunnel.
- **Important things on the periphery get ignored.**
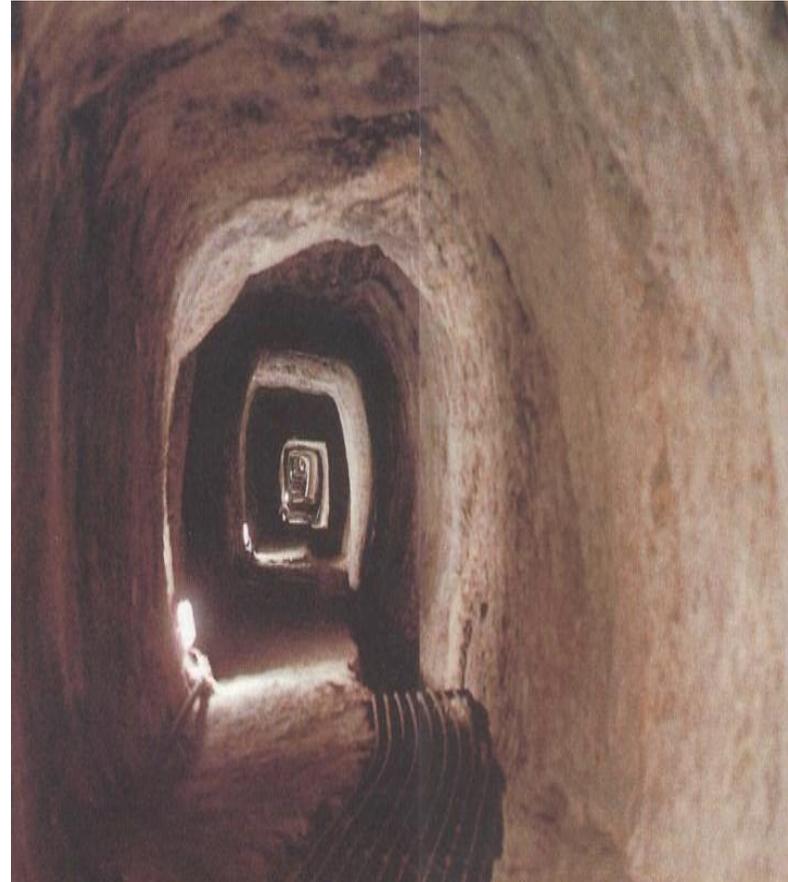
Under-resourced people live in under-resourced environments

Low-income families are more likely to live in neighborhoods with high rates of crime, drug abuse, and failing schools.

Geography of Financial Exclusion

Payday lending is a growing business

From **$10 billion** in 2001 to nearly

$30 billion dollars in 2010

But Americans paid more than that in

overdraft fees in 2011:

❖**a record**

$38 billion

- An overdraft = a short-term loan
- If it had a repayment period of seven days, the APR for a typical incident would be over

5000%

Welcome to Self-Sufficiency
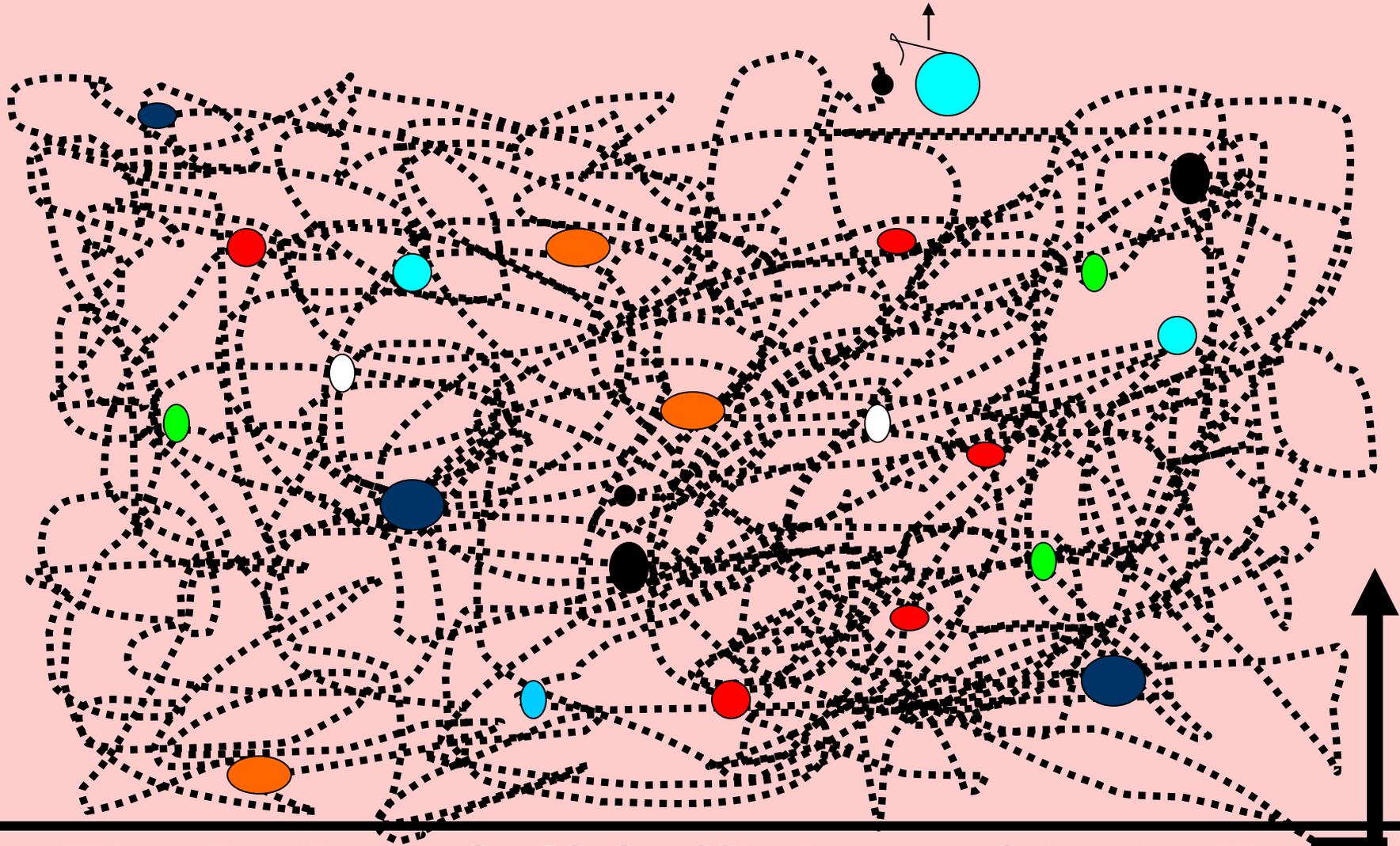
The Path to Self-Sufficiency Starts Here

Carsey Report: *More Poor Kids in More Poor Places*

- ***Just getting by*** requires piecing together a livelihood

  from part-time jobs, seasonal work, and public assistance such as food stamps, Supplemental Security Income (SSI) or Women, Infants, and Children (WIC) benefits.

- **The instability inherent in piecemeal** and seasonal work makes every- day life, along with eligibility for support programs, **volatile and uncertain.**

- As one service provider in the county said regarding a client, *"It isn't one tipping point. That's really middle-class phenomenon… When you're spread as thin as she was, anything could be a tipping point… The net is so frail."*

Mattingly, Marybeth, Johnson, Kenneth, Schaefer, Andrew: *More Poor Kids in More Poor Places: Children Increasingly Live Where Poverty Persists*. (Carsey Institute Brief No. 38: Fall 2001)

Cornell study: Children and Chaos

- *Crowding.*
- *Noise.*
- *Lack of Routines.*
- *Residential relocation.*
- *School relocations.*
- *Maternal partner change.*

- By age 4, children in families living with incomes under 200% of the federal poverty line have less gray matter - brain tissue critical for processing of information and execution of actions - than kids growing up in families with higher incomes, according to the research.

Poverty as toxic stress

- When young children grow up in toxic environments associated with poverty, their brains naturally make survival their top priority.

- The result is that parts of the brain associated with survival are prioritized, rather than areas of the brain that control higher-order thinking and reasoning.

Over the last few years, many other scientists have also found links between growing up poor and differences in cognitive development.

Continuum of Stability

Extremely Unstable Environments

Unstable Environments

Stable Environments

Daily life disrupted by violence, illness, addiction, disabilities, and/or unstable community conditions.

Highly affected by generational poverty.

Stabilizing the environment and building resources may take a very long time.

Daily life can be stabilized enough with supports.

Building resources may take a long time.

Daily life can be organized fairly easily.

May be able to build resources rather quickly.

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Patrick McCarthy, CEO

Annie E. Casey Foundation

Kids Count Study **2011**

"Children who grow up in poverty have a much tougher time..."

Stay in poverty

Have problems in school

Not graduate

Teen parents

Have employment problems

Make less pay

How to break the cycle of pverty
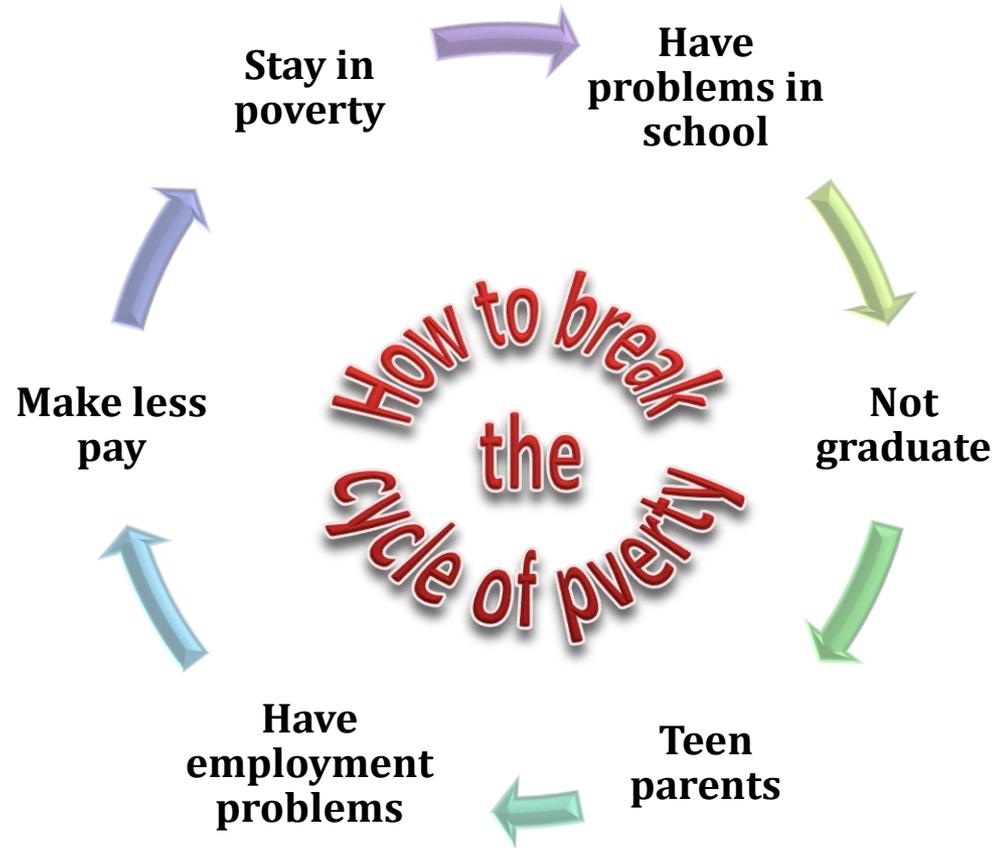
Poverty Impacts Education

- children who spend a year or more in poverty account for

  38 percent of all children,

- but they account for

  70 percent of all children who do

  not graduate from high school
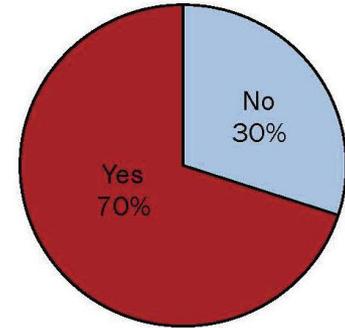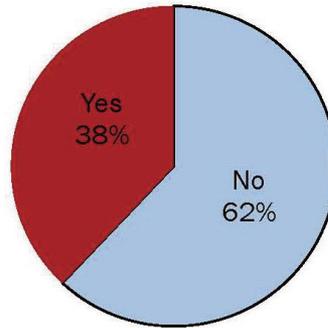
Without a high school degree

90% of the jobs are closed to you

No sick days

- 40% of private sector workers
- 70% of low wage workers

Wage theft

- 2/3rds of low wage workers experience wage theft = $933 million in 2012

Schedule changes

- Often schedules change week to week

The difference a college degree makes

Earnings and unemployment rates by educational attainment

Unemployment rate in 2012 (%)		Median weekly earnings in 2012 ($)
2.5	Doctoral degree	1,624
2.1	Professional degree	1,735
3.5	Master's degree	1,300
4.5	Bachelor's degree	1,066
6.2	Associate's degree	785
7.7	Some college, no degree	727
8.3	High school diploma	652
12.4	Less than a high school diploma	471

All workers: 6.8% All workers: $815
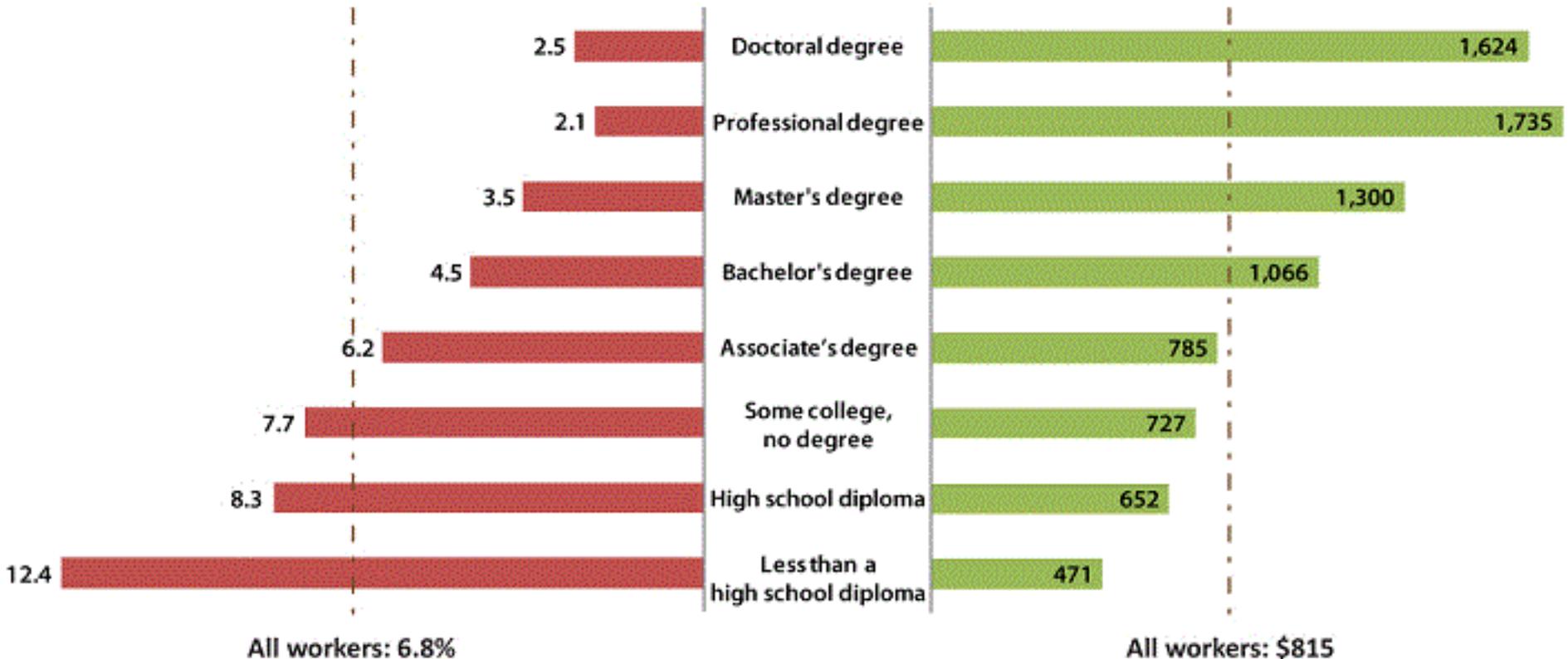
Source: Bureau of Labor Statistics, Current Population Survey

- Unstable
- Unpredictable
- Stressful
- Hyper-vigilant
- Survival mode
- Concrete problem solving
- Outside the norm

In the last election, poverty was mentioned in 3 to 10% of the stories.

The experience of poverty is a trap

Consider the contrasts…

Poverty

- Instability
- Lack of predictability
- Stressful; hyper-vigilant
- Tyranny of the moment
- Survival mode
  - Feels like constant crisis
- Concrete problem solving
- Outside the norm

Middle Class

- Stable
- Predictable
- Emphasis on safety
- Future focused
- Stress is managed
  - Emphasis on quality of life
- Abstract problem solving
- Politics, consumerism, education – *all normed to you*

Society – *and organizations–*
are *normalized* to stability and planning

Our default lens
is for resourced people

Talmud: We see things not as they are, but as we are…

How well do we know our customer?
How well do we know our families?
How well do we know our students?

Four Approaches

1. Preventing poverty
2. Alleviating suffering
3. Aiding transition to economic stability
4. Addressing structures in a community

Hard Differentiators:
Bridges Community of Practice Model

Most communities focus their efforts on alleviating suffering.

From getting by …

To getting ahead …

It takes a different strategy to *transition* out of poverty …

Community Sustainability Grid
A Comprehensive Planning Tool for Bridges Steering Committees
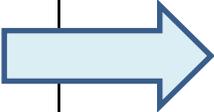
	Individual Behavior	Human and Social Capital in the Community	Exploitation	Political/ Economic Structures
Individual Action				
Organizational Action				
Community Action				
Policy				
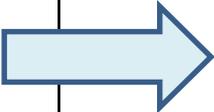
Community Sustainability Grid
A Comprehensive Planning Tool for Bridges Steering Committees

	Individual Behavior	Human and Social Capital in the Community	Exploitation	Political/ Economic Structures
Individual Action			*This area is often overlooked and unregulated*	
Organizational Action				*Who controls this part of the grid?*
Community Action				
Policy		*Who controls this part of the grid?*		
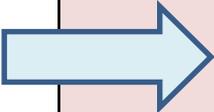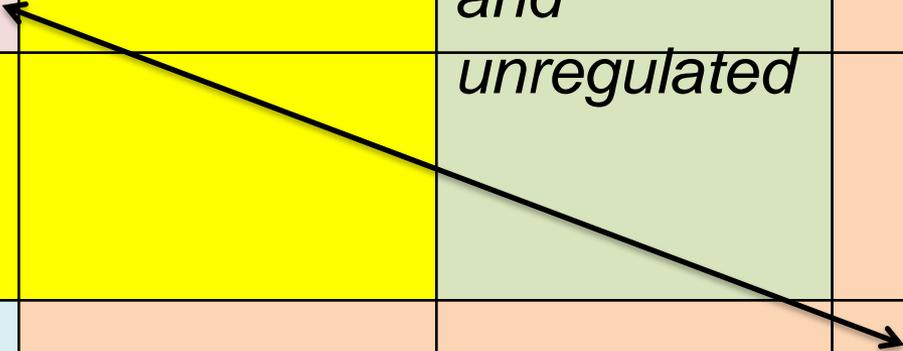
More tools in the toolbox

Financial Sector tools
- Many low-income people are un/under banked and vulnerable to financial predators
- *How can we provide access to fair credit to build financial stability and increase the customer base?*

Civic Engagement tools
- Poverty locks up leadership potential
- *How can we engage more low-income residents to become involved in solving community problems?*

Employer tools
- Entry level workers have high turnover rates
- *How can we help stabilize employees and improve retention?*

Criminal Justice sector tools
- People in poverty are more likely to be in the criminal justice system
- *How can we move people out to more stables lives and lower court and system costs?*

Social Service sector tools
- Important tools, but not a complete toolkit
- Focused mainly on individual effort and change

Higher Education tools
- College is increasingly the divider for economic stability
- *How do we increase the possibility that low-income people can enter and complete college without huge debt?*

Education tools
- Children in poverty increase their chances of dropping out
- *How can we develop a two-generation strategy so parents are a source for change?*

Health sector tools
- Health follows wealth and ER visits are costly
- *How do we build health and lower costs?*
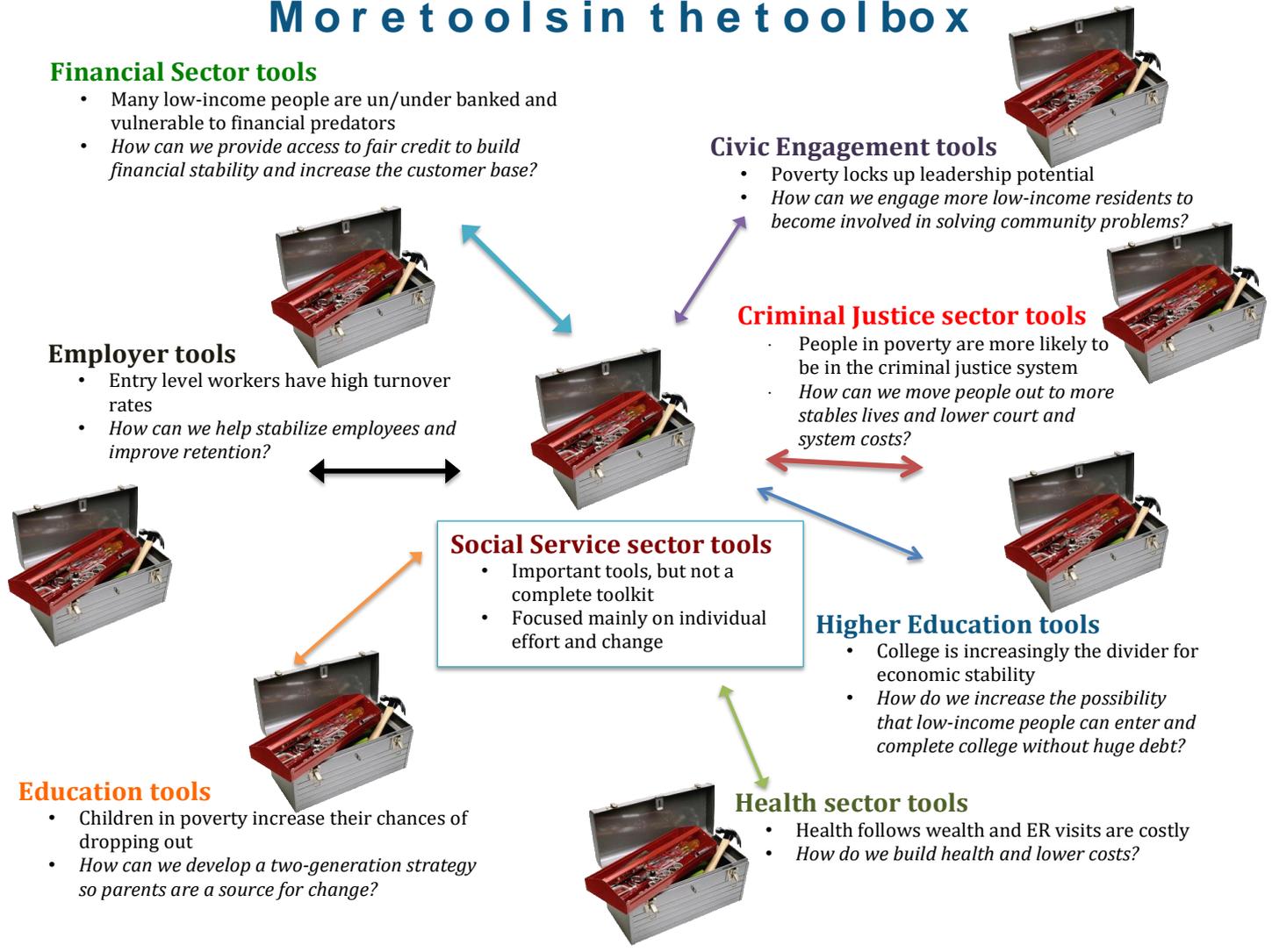
Additive Approach

The wider the range of rules you have, *the more choice you have.*

This is true for

the individuals **AND**

for organizations.

GETTING AHEAD IS A PROCESS

- How long would it take you to move up an economic class?

- What would you have to do new or different?

- What supports would help you?

Think years…

… think generations. **Think TWO generations.**

Getting Ahead Theory of Change

- People in poverty are problem solvers
- Living in poverty makes it hard to change

- Understand the big picture
 - poverty is about more than the choices people make.
- Also important to learn how poverty impacts individuals.

Getting Ahead is not life skills

- **50 hour class in 16 three hour modules**

- **Incentives** provided

- **Community**: safety & belonging & commitment

- **Opportunity** for dialogue and reflection

- **Role models**: facilitator and co-facilitator

- **Efficacy**: I can change & I can change the community

- **Positive feedback**: from co-members & facilitators (middle class)

- **Power**: goals + choice + ability to make and implement your own plan

Statistically Significant Changes

- Across nine psychosocial indicators including
  - Self Efficacy
  - Hope
  - Future planning
- Improved # of physical and mental health days each month
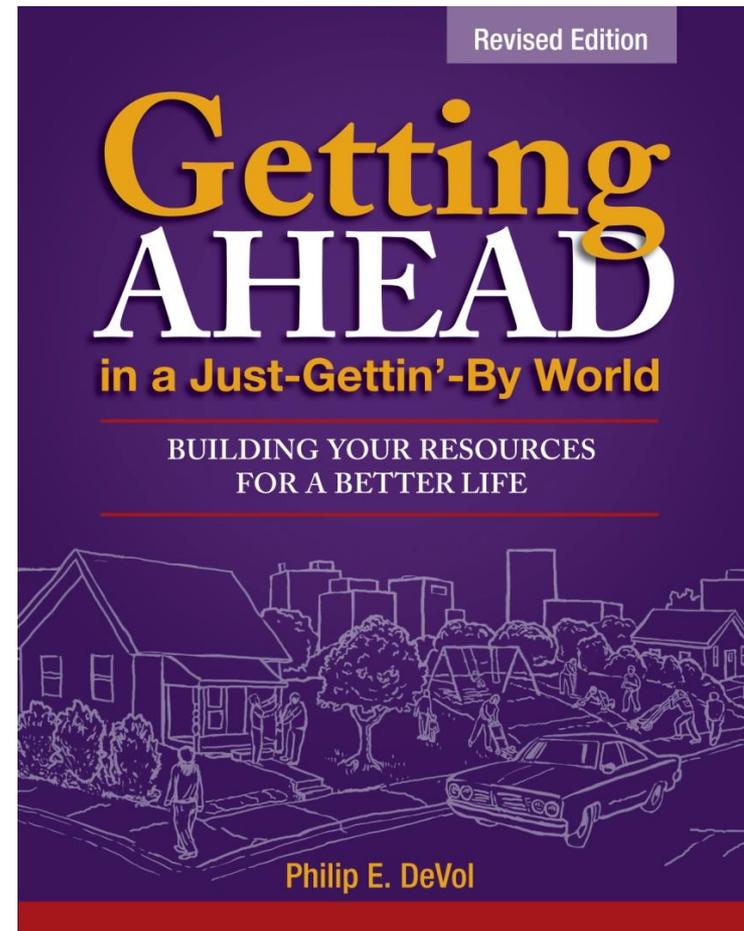
If you want to change the world,
*change the metaphor*

James Campbell

Make the shift from

Problem Orientation

Resource Orientation

By changing our perspective and our actions, we can look at each person caught in poverty as a potential asset in the economic development of our region and move from managing poverty to ending it.

How do we see and tap into strengths?

resilience

1. The process of **persisting in the face of adversity**

2. Progresses by accumulating <u>small successes</u> that occur side by side *with failures, setbacks, and disappointments.*

3. Allows you to **honor** the efforts people are making to help themselves *whether or not those efforts lead to positive results*

4. Vehicle for expressing the *respect and affirmation* needed to **persist**.
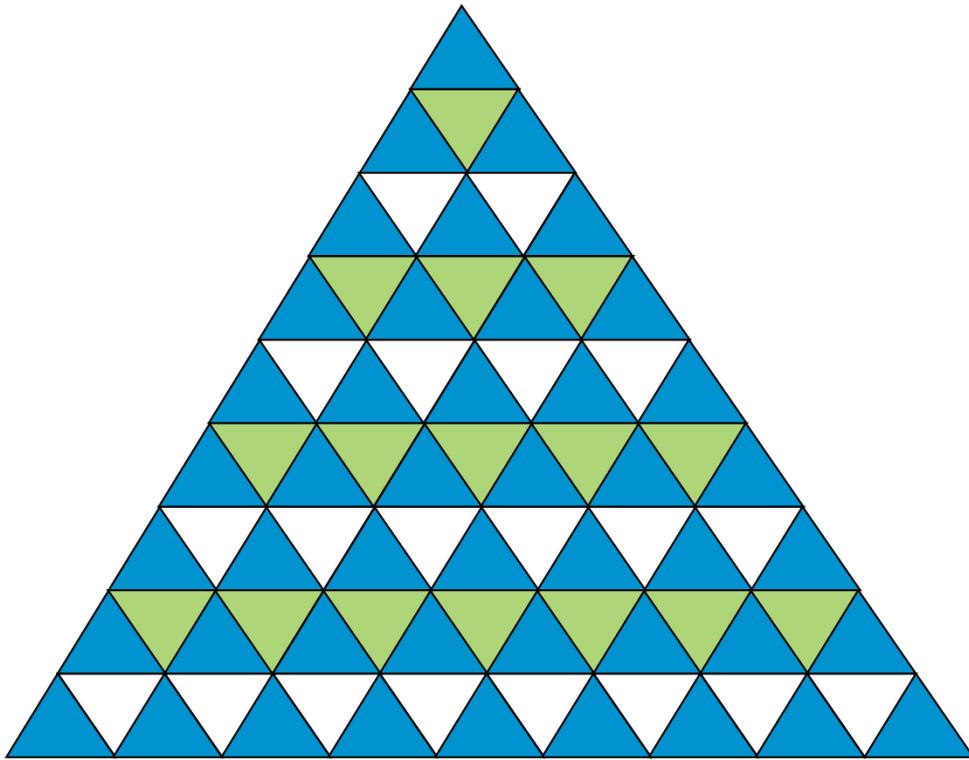
MOLEHILLS TO MOUNTAINS

- How does **risk** add up?
- How do **resources** add up?

Accumulated risk and resources

Building Relationships

No significant learning happens without a significant relationship *of mutual respect.*

James Comer

Poverty Interrupted

- "We contend that the *burden of change* rests primarily with the individuals and organizations who have the power to design programs and systems in ways that take universal human tendencies into account."

Poverty negatively affects:

- Education outcomes

- Health outcomes

- The ability to get, keep and attract jobs, especially self-sufficient wage jobs

- Community sustainability

*Doing nothing costs **something**...*

Can we commit to creating a community where ***everyone*** lives well?
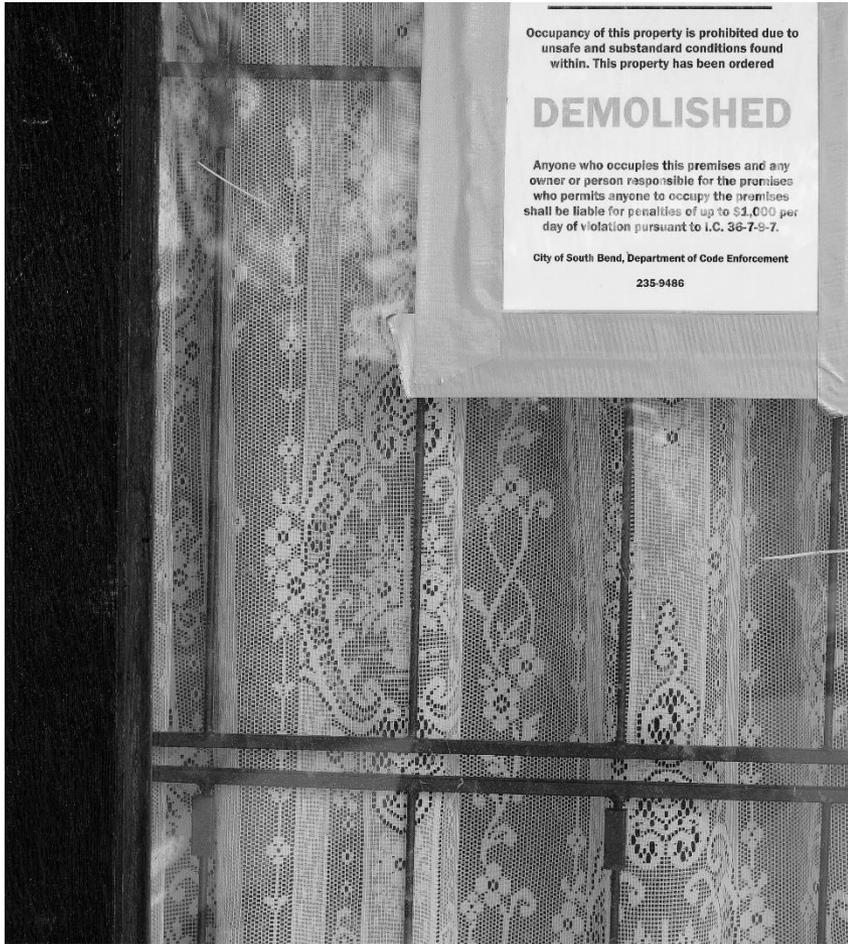
Can we commit to creating schools where *every child* does well?

Contact us at:

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