

FROM POVERTY TO PROSPERITY: What's It Going to Take?

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Overview

- Goals of policy assessment
- Major findings of research
- Opportunities & challenges
- Limitations

Goals of policy assessment

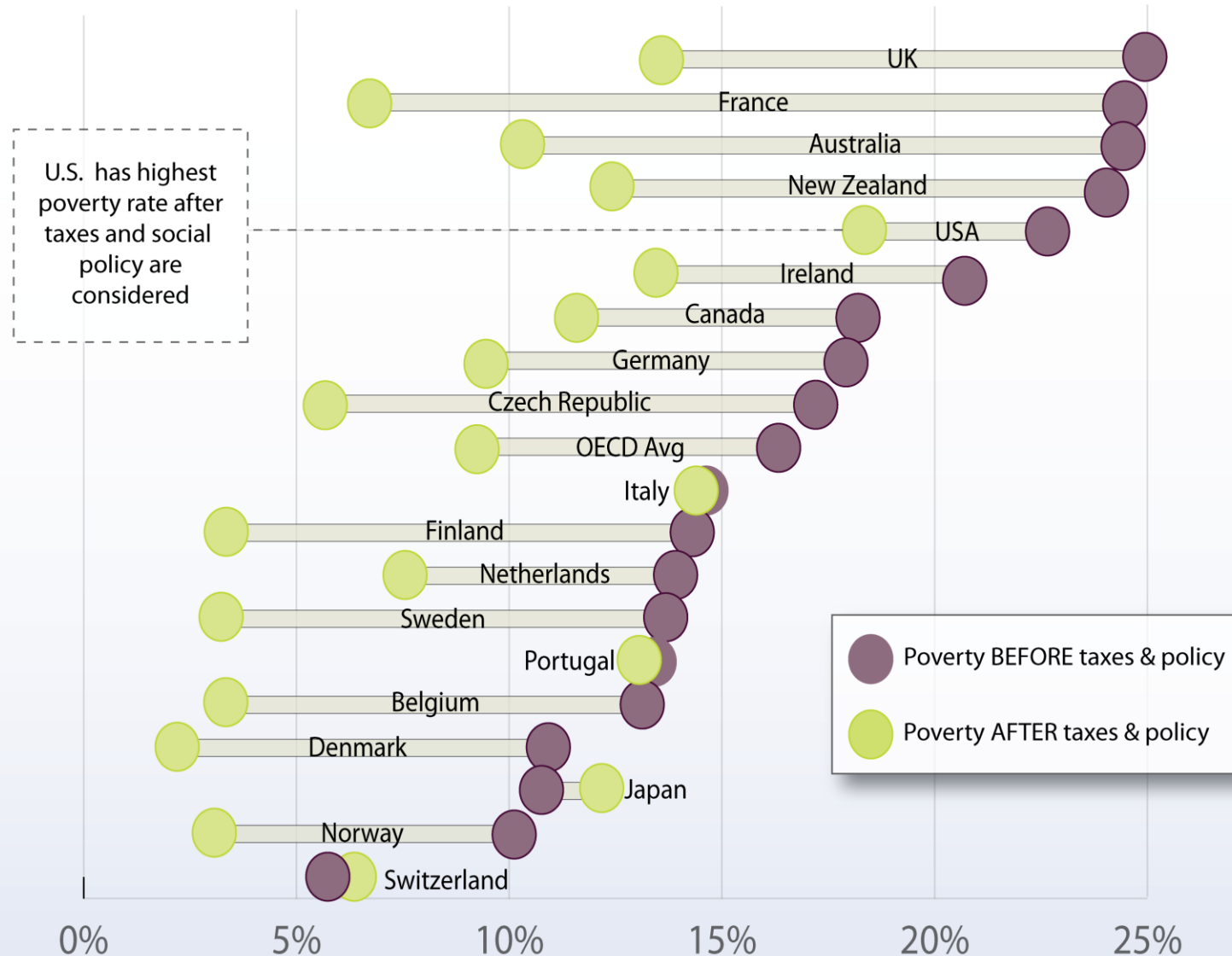
- Identify root causes of poverty
- Review poverty policy at state, national, & international levels
- Identify promising policies to address poverty
- Apply racial equity lens

FINDING #1

We can reduce poverty.

U.S. is One of the Least Effective Countries at Reducing Poverty

Poverty rate pre- and post-taxes & social policy, comparable OECD nations, 2008



FINDING #1

We can reduce poverty.

But can we end it?

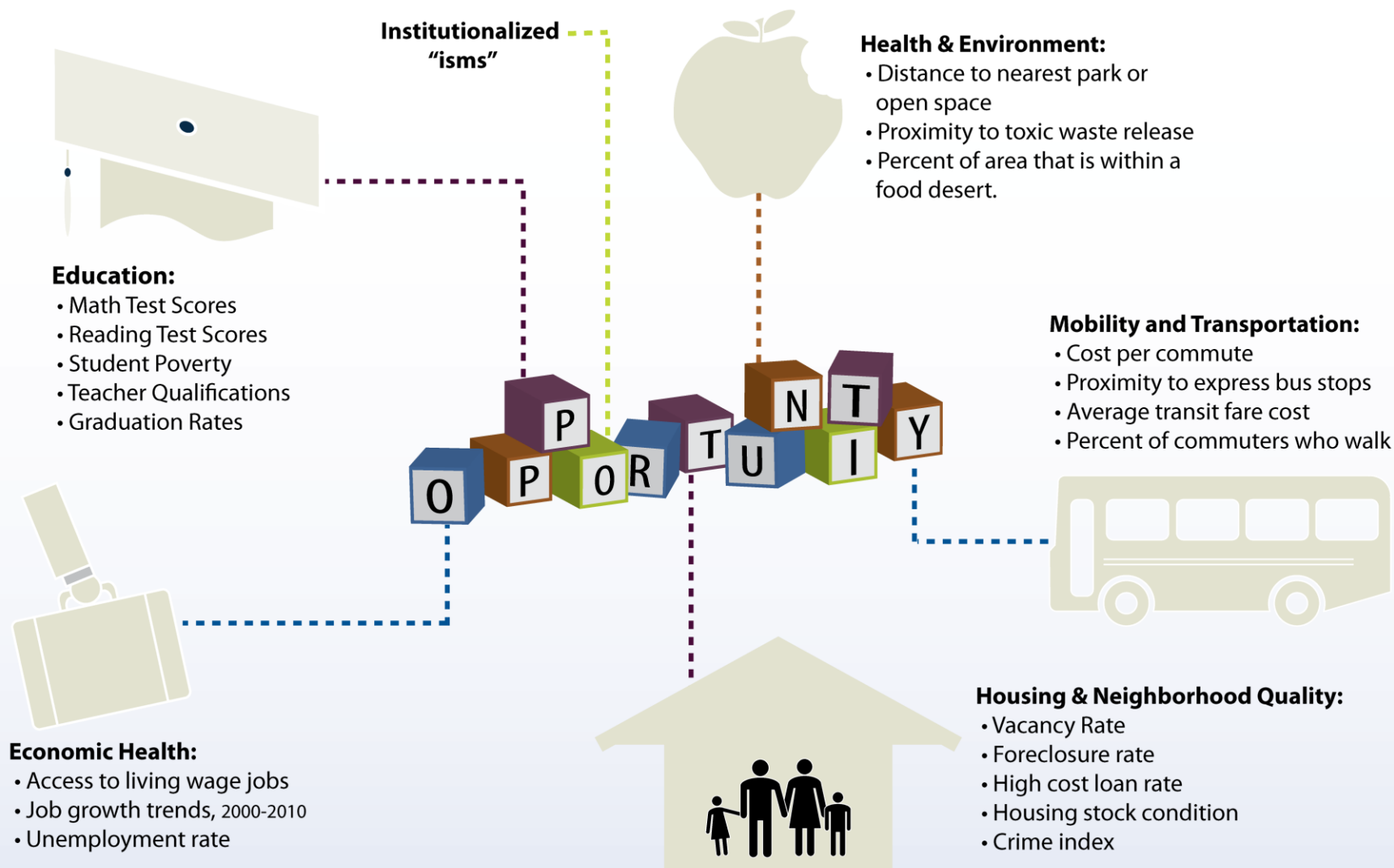
FINDING #2

We need to rethink “poverty” policy.

Causes of Poverty are Embedded within Economic Structure



What do we Mean by Opportunity Infrastructure?

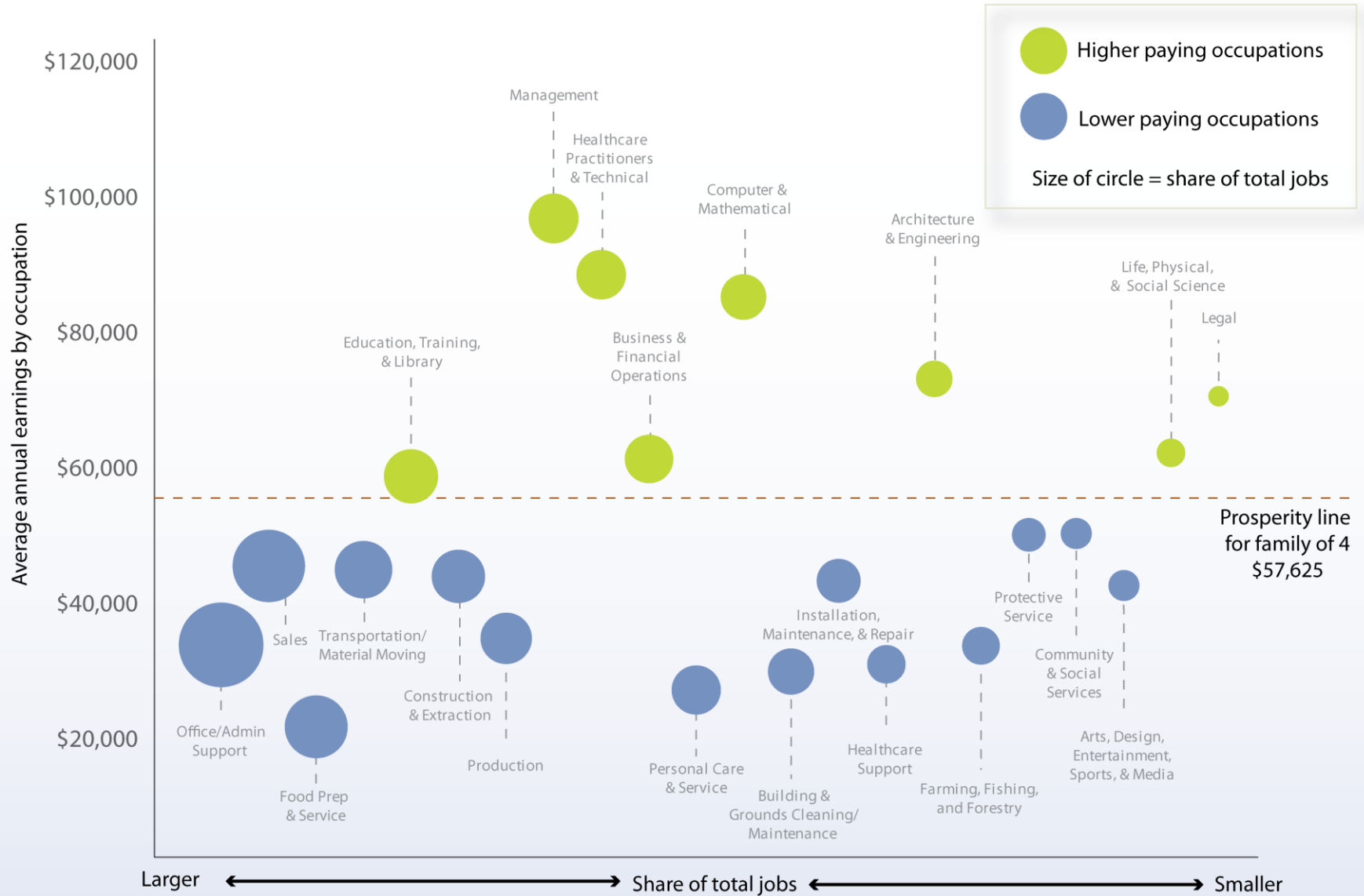


“Opportunity Infrastructure” is Weak and Unequal

Central Puget Sound residents with access to high opportunity by race/ethnicity, 2010



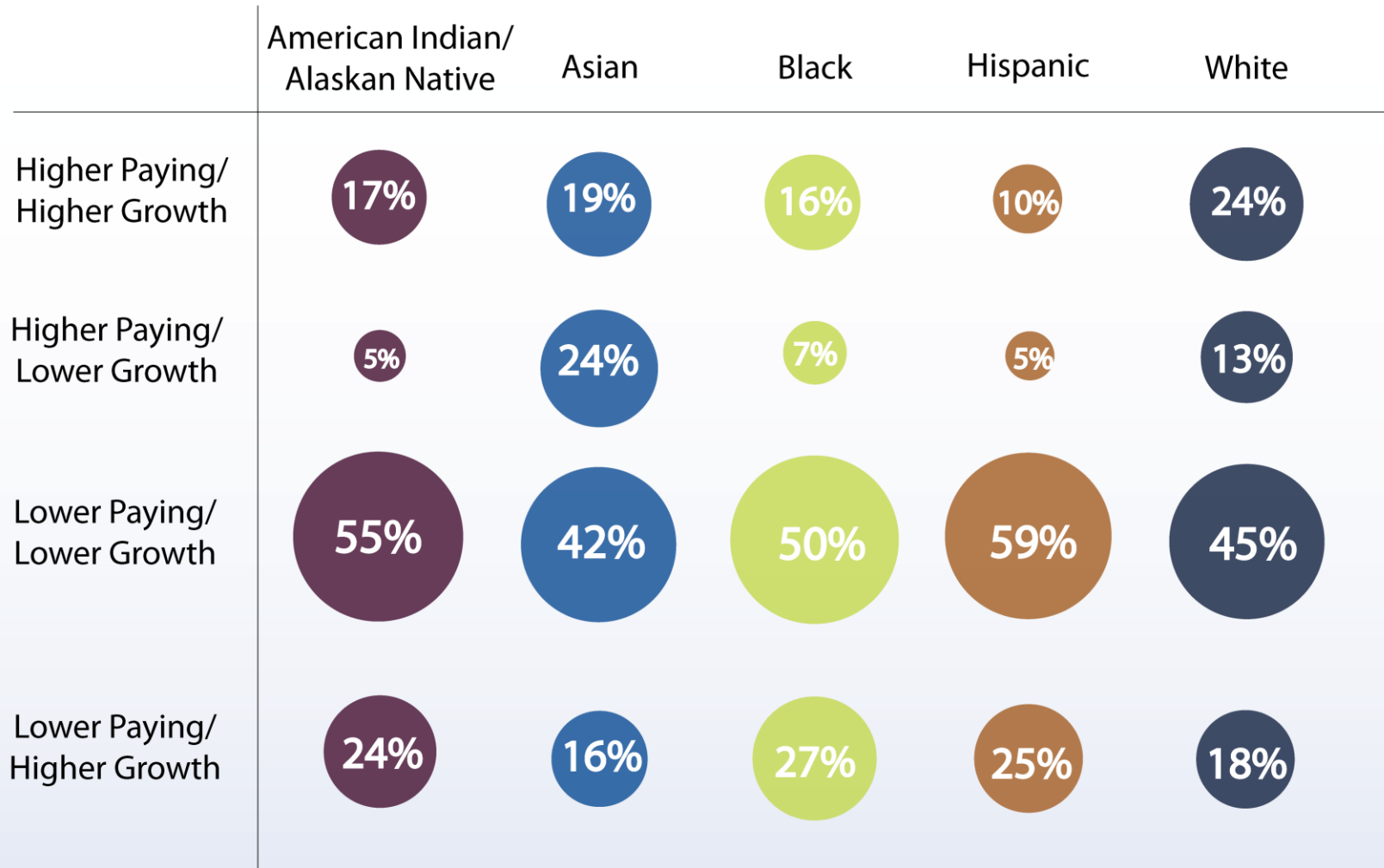
71% of occupations will not pay enough for a family of four to prosper



Source: B&PC analysis of Washington State Economic Security Department data

Disparities in “Good” Jobs by Race

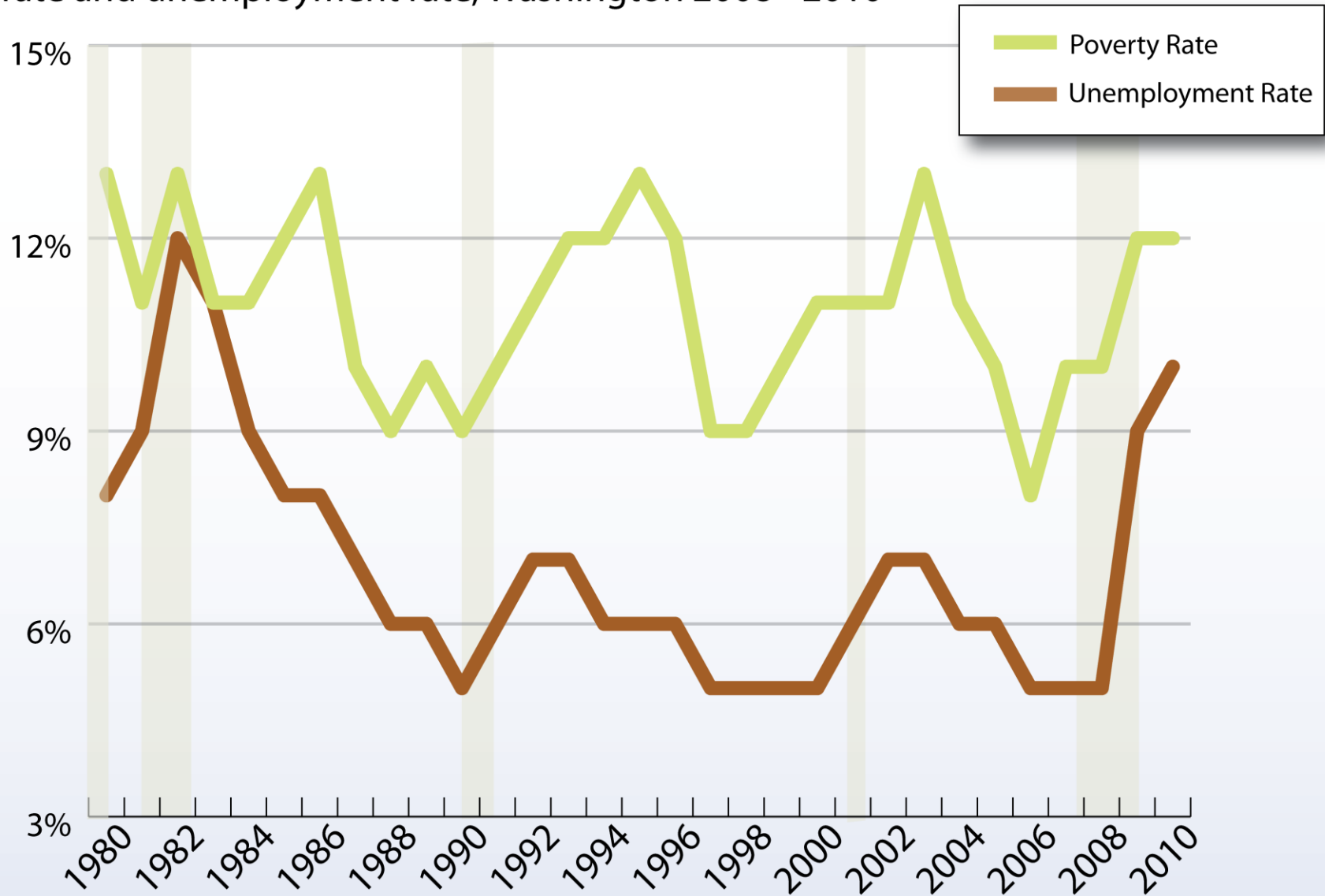
Percent of people in occupational category by race, Washington 2010



Source: BPC analysis of 2010 American Communities Survey data

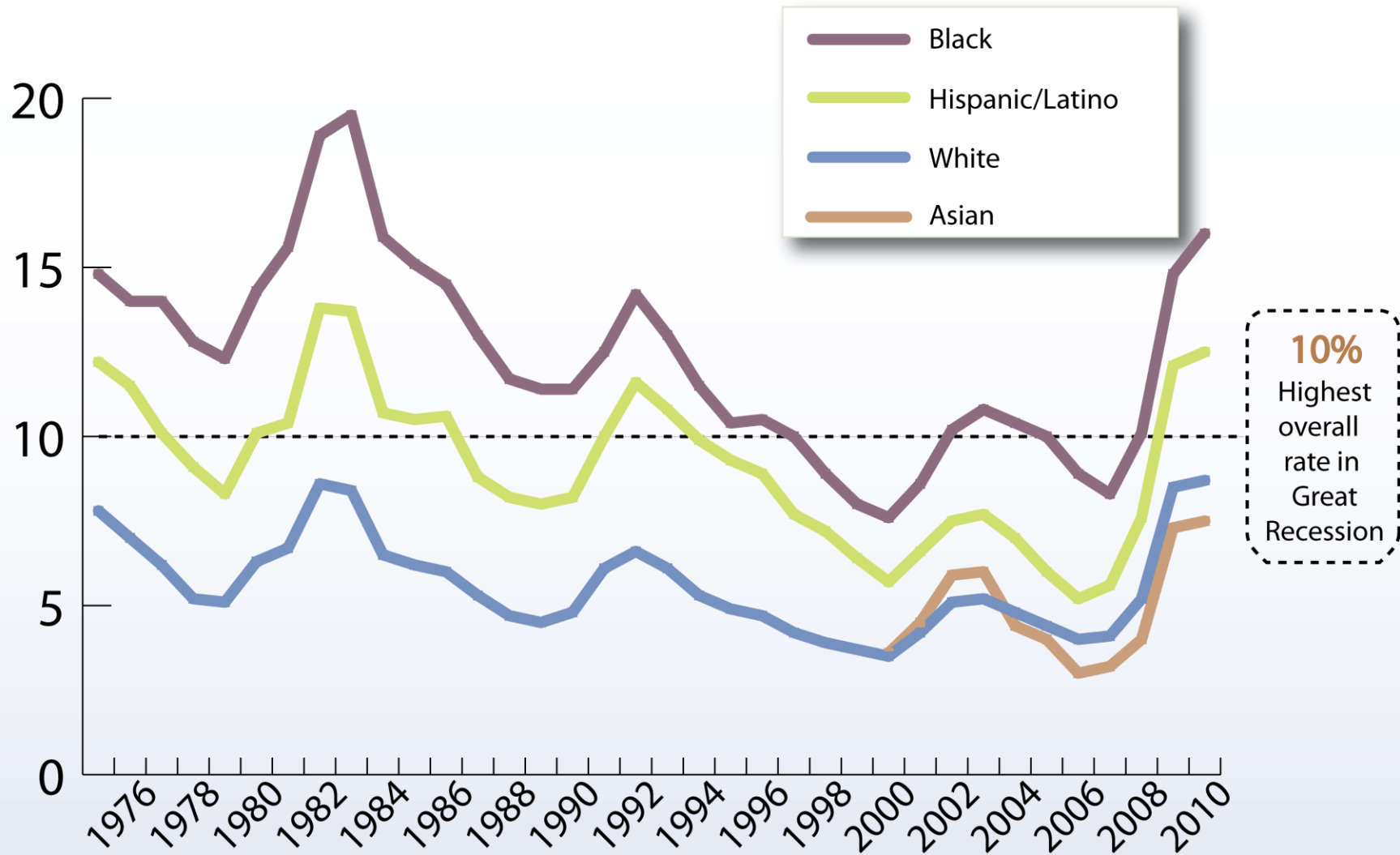
Strong Association between Poverty and Unemployment

Poverty rate and unemployment rate, Washington 2008 - 2010



Black and Hispanic People Have Experienced Recession-Like Unemployment for Decades

Unemployment Rate by Race/Ethnicity, United States 1975 to 2010



Source: Bureau of Labor Statistics data

Whites Account for Under Half of Births in U.S.

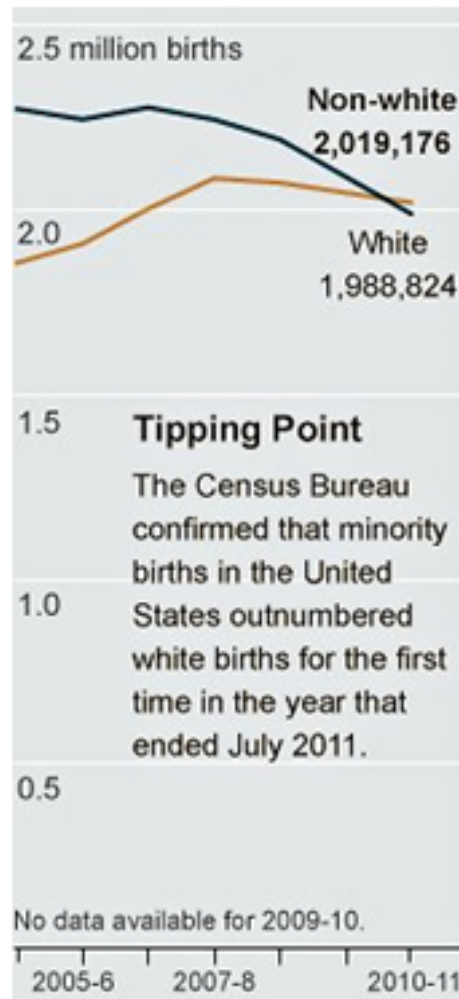
By SABRINA TAVERNISE

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New
York
Times
Front
Page

May 17,
2012

WASHINGTON — After years of speculation, estimates and projections, the [Census Bureau](#) has made it official: White births are no longer a majority in the United States.



Non-Hispanic whites accounted for 49.6 percent of all births in the 12-month period that ended last July, according to Census Bureau data made public on Thursday, while minorities — including Hispanics, blacks, Asians and those of mixed race — reached 50.4 percent, representing a majority for the first time in the country's history.

Such a turn has been long expected, but no one was certain when the moment would arrive — signaling a milestone for a nation whose government was founded by white Europeans and has wrestled mightily with issues of race, from the days of slavery, through a civil war, bitter civil rights battles and, most recently, highly charged debates over efforts to restrict [immigration](#).

While over all, whites will remain a majority for some time, the fact that a younger generation is being born in

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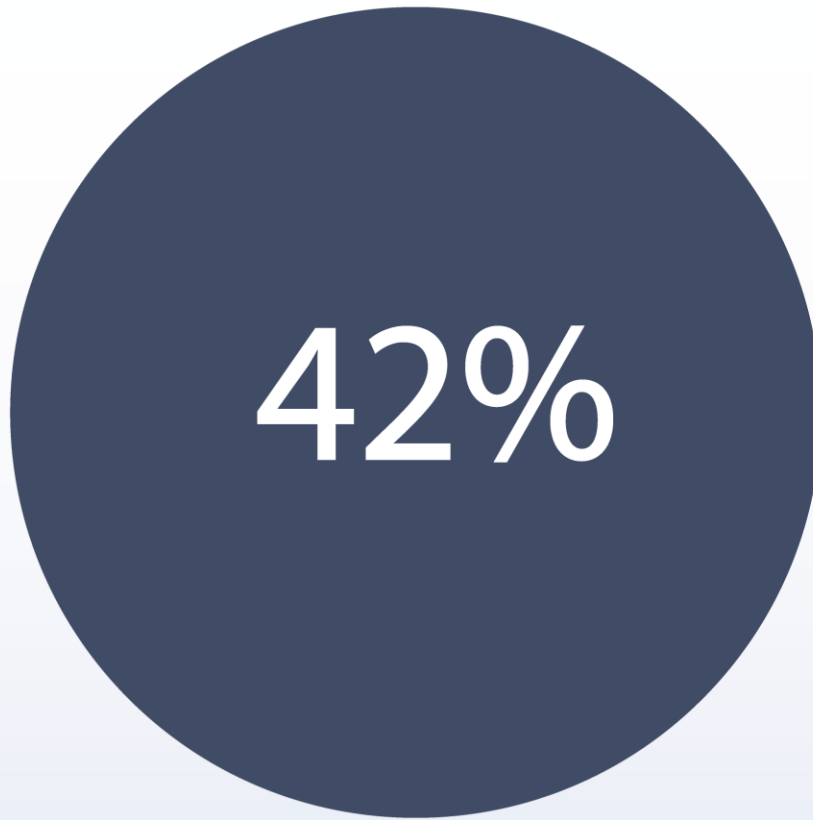
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REPRINTS

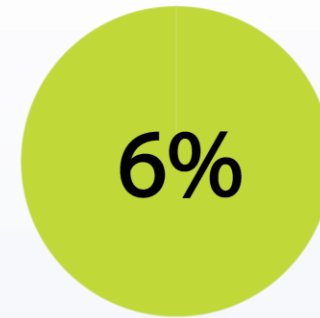
RUBY SPARKS
COMING SOON

Richest Households Had Income Gains Seven Times Larger than Poorest Households

Percent Gain Over Last 20 Years, Washington State 2006-2008

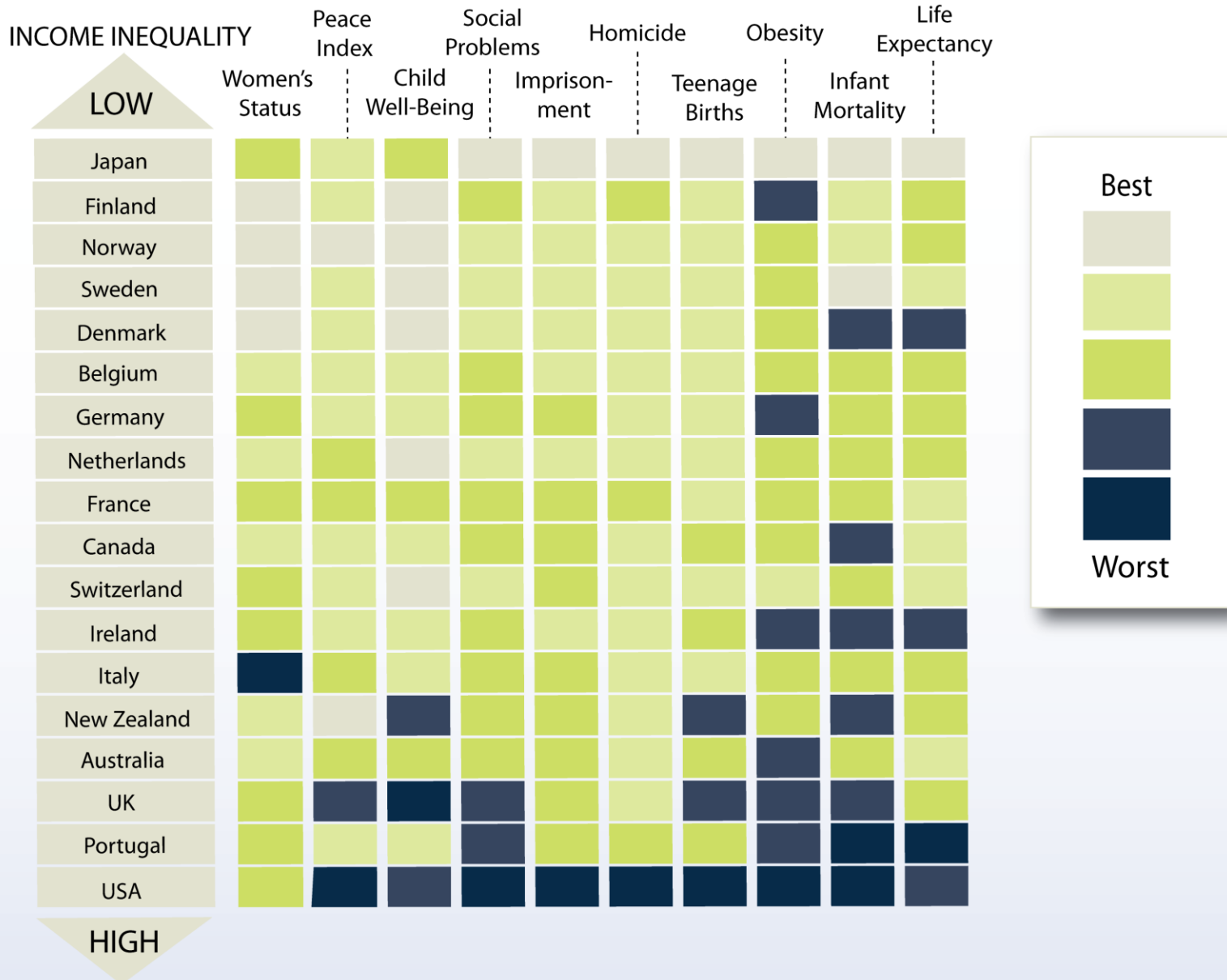


Increase in Income
for Richest Households



Increase in Income
for Poorest Households

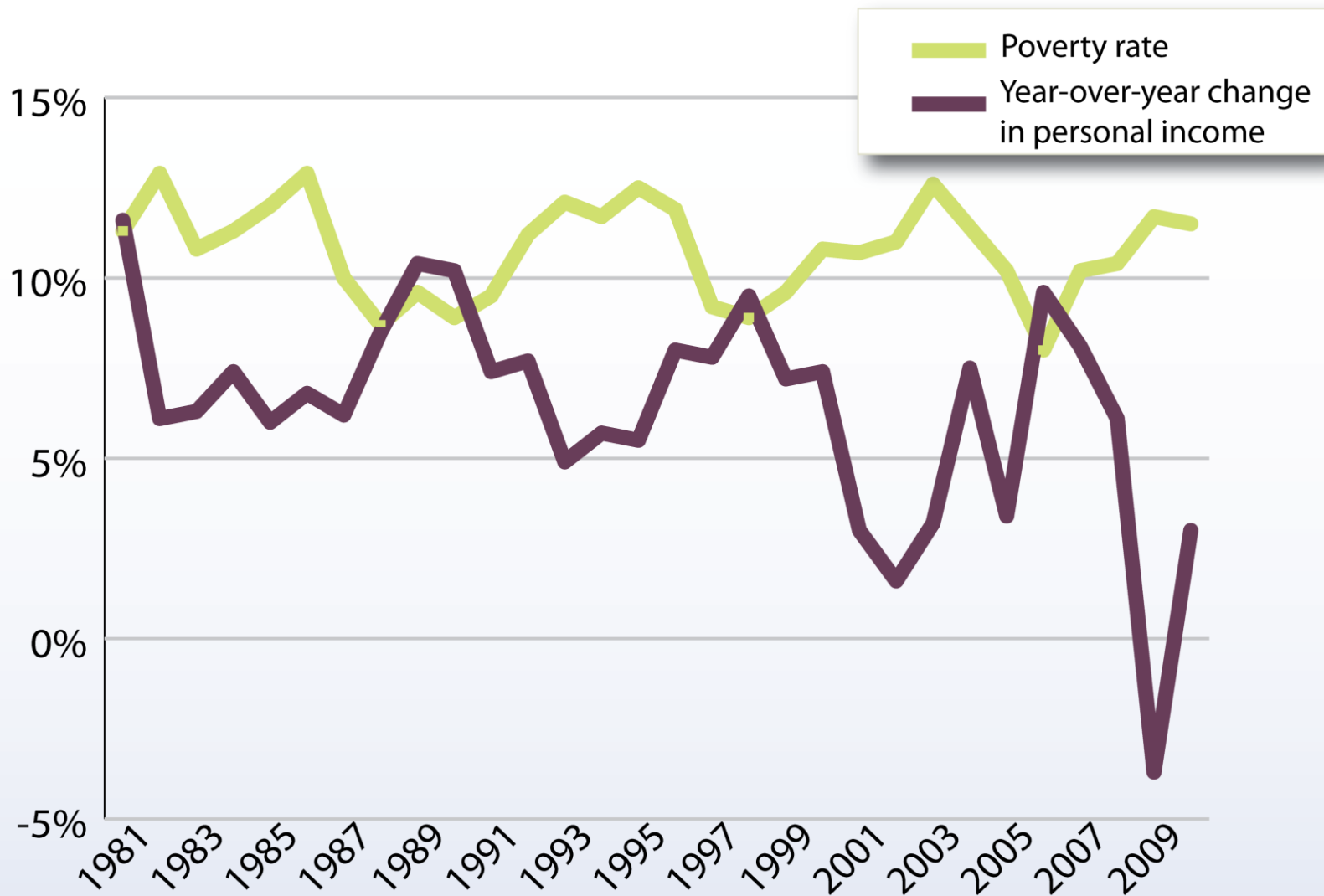
Higher Inequality Associated with Poor Outcomes



Source: Wilkinson and Pickett (2008) *The Spirit Level: Why Equality is Better for Everyone*. The Equity Trust (UK)

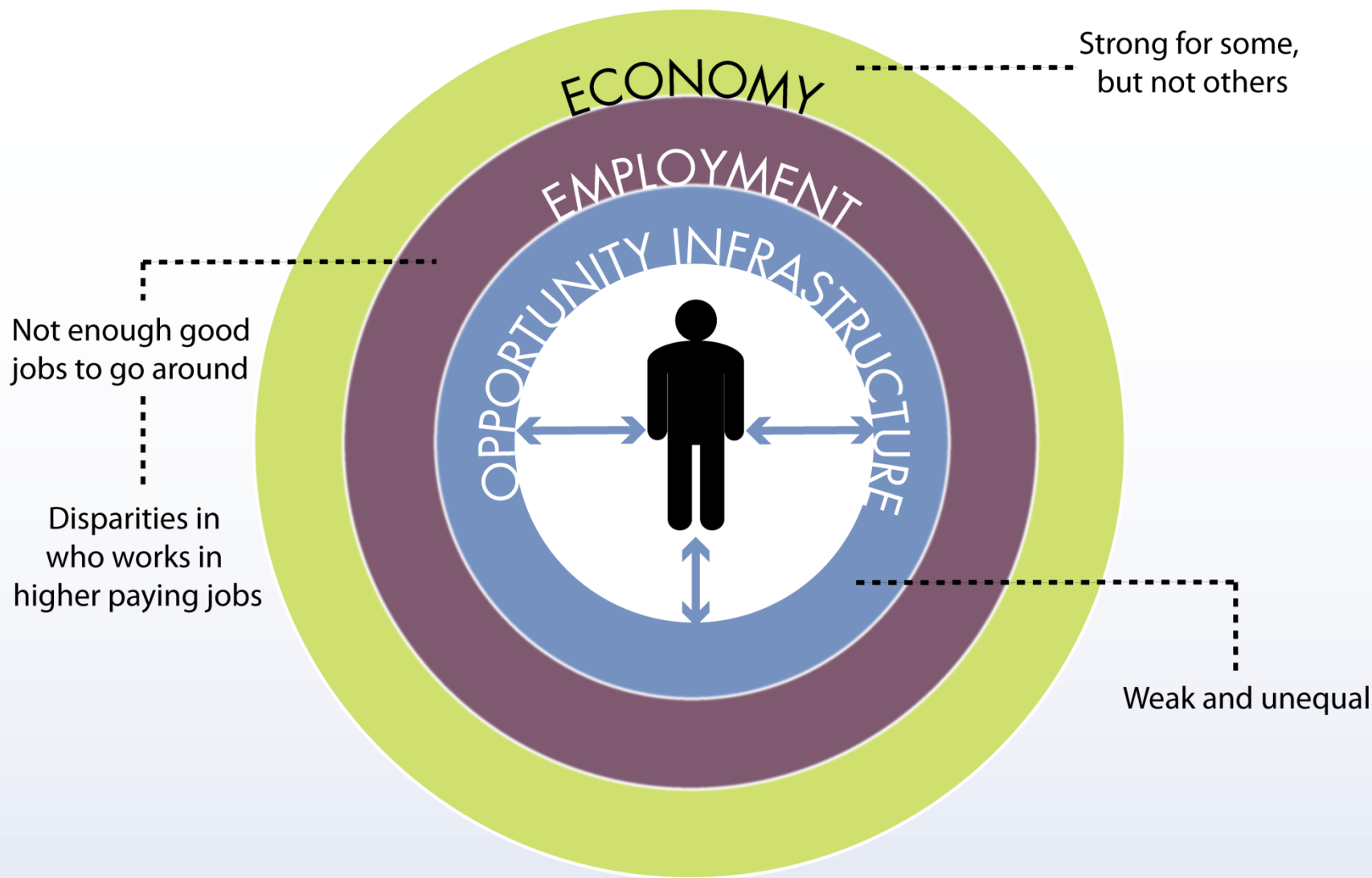
When Economy is Strong, Poverty Drops

Year-over-year change in personal income and poverty rate, Washington 1981-2010



Source: Historical census data and Budget & Policy Center calculations of Bureau of Economic Analysis data

Causes of Poverty are Embedded within Economic Structure

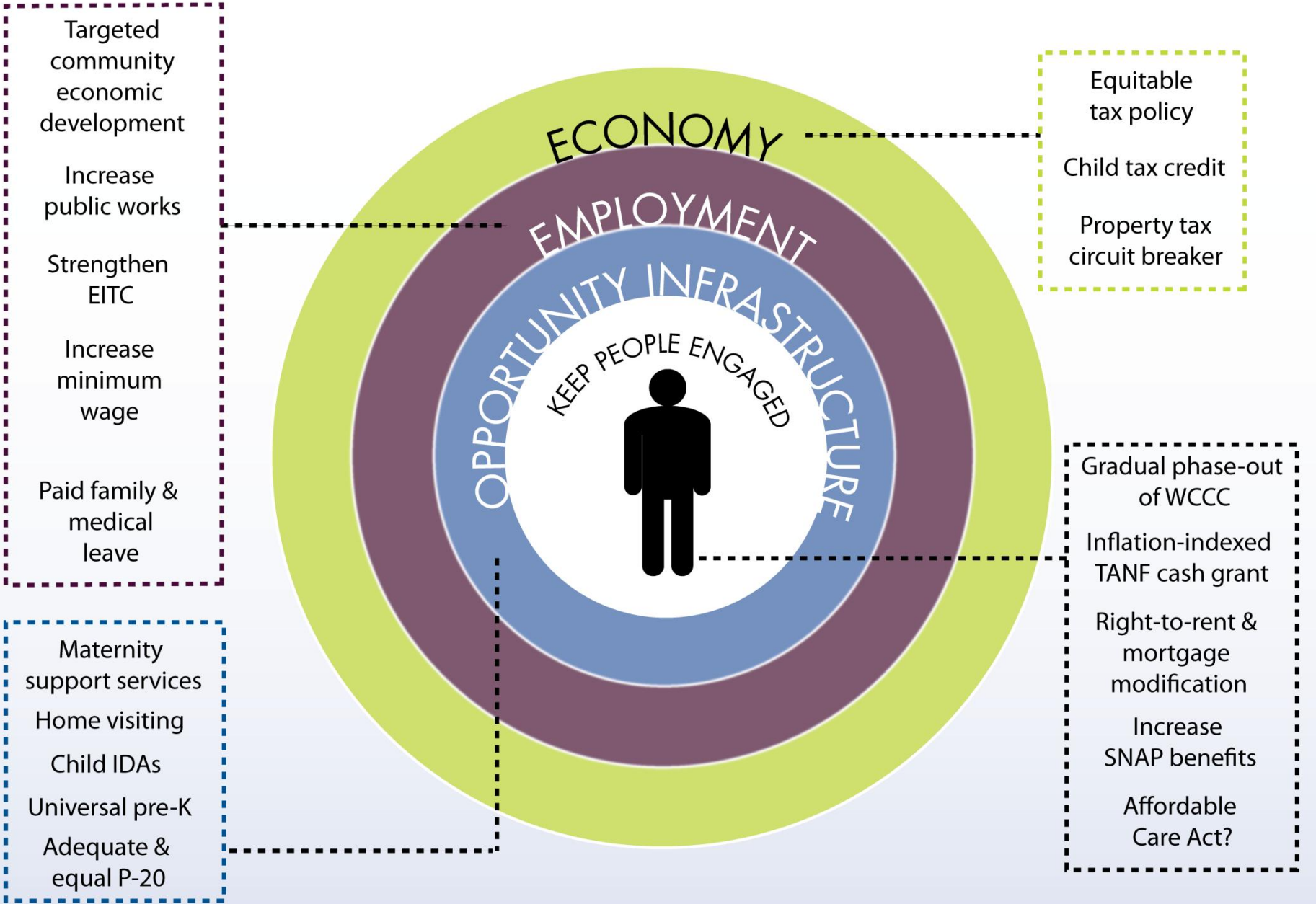


FINDING #3

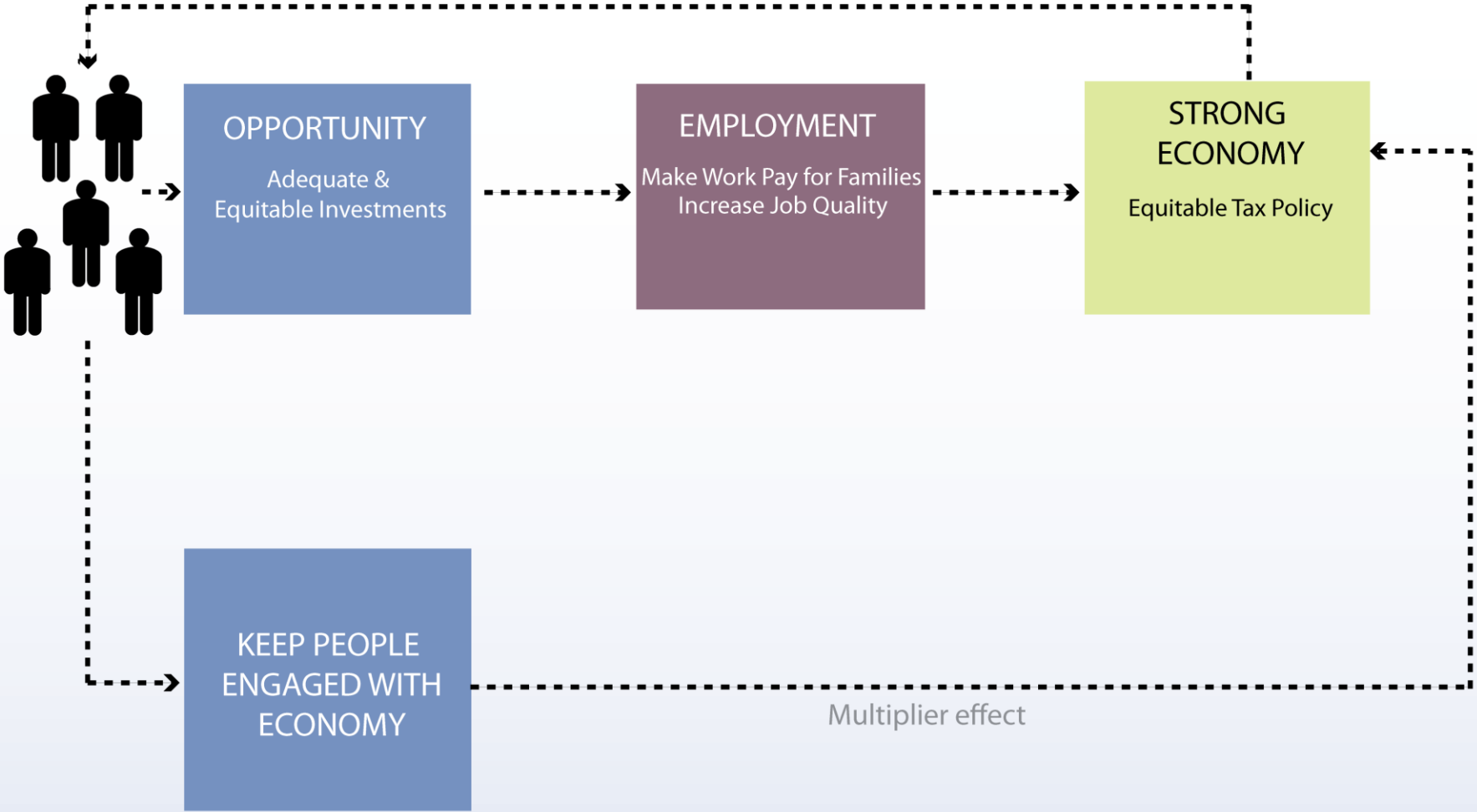
Structural causes require
structural solutions.

But individual circumstances matter.

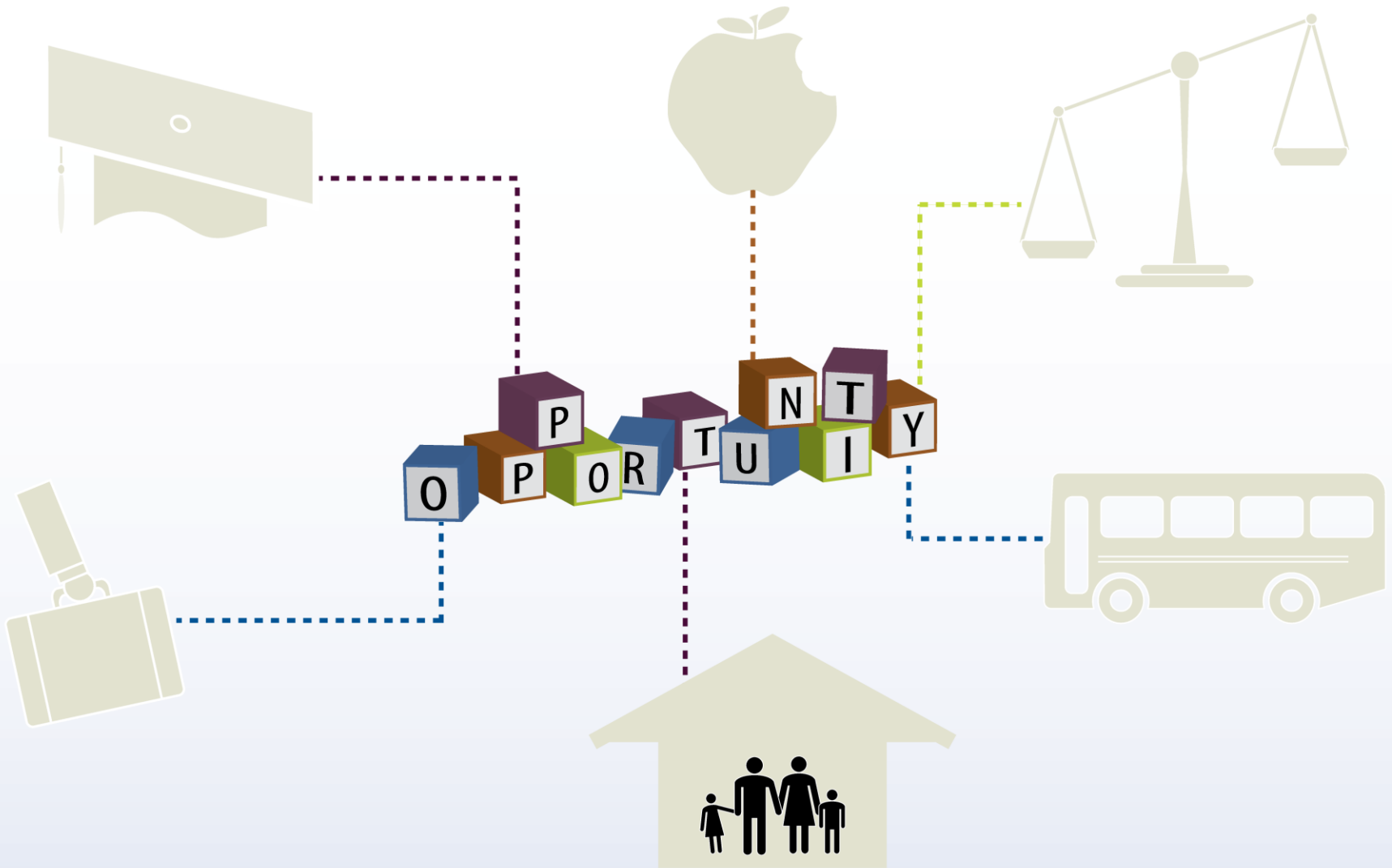
Structural Causes Require Structural Solutions



Structural Causes Require Structural Solutions



Who is Responsible for Opportunity Infrastructure?



Most Bang for the Buck

- Adequate & equitable tax policy
- Racial equity
- Investing directly in children
- Raising incomes of families with young children
- Make work pay

Opportunities & Challenges

- Political will?
- Gap-closing as an explicit priority
- Comprehensive, coordinated approach

QUESTIONS?

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