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POVERTY IN AMERICA: ECONOMIC REALITIES OF STRUGGLING FAMILIES

HEARING

BEFORE THE

COMMITTEE ON THE BUDGET
HOUSE OF REPRESENTATIVES

ONE HUNDRED SIXTEENTH CONGRESS

FIRST SESSION

HEARING HELD IN WASHINGTON, D.C., JUNE 19, 2019

Serial No. 116–11

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U.S. GOVERNMENT PUBLISHING OFFICE
37–722 WASHINGTON : 2020

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CONTENTS

	Page
Hearing held in Washington D.C., June 19, 2019	1
Hon. John A. Yarmuth, Chairman, Committee on the Budget	1
Prepared statement of	4
Documents submitted for the record	7
Hon. Steve Womack, Ranking Member, Committee on the Budget	252
Prepared statement of	254
Hon. Nancy Pelosi, Speaker of the House	256
Prepared statement of	259
Rev. Dr. William J. Barber, II, Poor People's Campaign	263
Prepared statement of	265
Rev. Dr. Liz Theoharis, Poor People's Campaign	268
Prepared statement of	270
Callie Greer, Poor People's Campaign	273
Prepared statement of	275
Kenia Alcocer, Poor People's Campaign	277
Prepared statement of	279
Christopher Overfelt, Poor People's Campaign	281
Prepared statement of	283
Savannah Kinsey, Poor People's Campaign	285
Prepared statement of	287
Pastor Latasha Fields, Christian Home Educators' Support System (CHESS)	289
Prepared statement of	292
Pastor David Mahan, Frontline Youth Communications	296
Prepared statement of	299
Hon. Barbara Lee, Member, Committee on the Budget, document submitted for the record	325
Hon. Steven Horsford, Member, Committee on the Budget, letter submitted for the record	336
Article submitted for the record	339
Hon. Sheila Jackson Lee, Member, Committee on the Budget, statement submitted for the record	357
Hon. Janice D. Schakowsky, Member, Committee on the Budget, questions submitted for the record	369
Hon. Robert C. "Bobby" Scott, Member, Committee on the Budget, questions submitted for the record	371
Answers to questions submitted for the record	372

POVERTY IN AMERICA: ECONOMIC REALITIES OF STRUGGLING FAMILIES

WEDNESDAY, JUNE 19, 2019

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE BUDGET,
Washington, D.C.

The Committee met, pursuant to notice, at 10:11 a.m., in Room 210, Cannon House Office Building, Hon. John A. Yarmuth [Chairman of the Committee] presiding.

Present: Representatives Yarmuth, Jeffries, Boyle, Khanna, DeLauro, Doggett, Price, Kildee, Panetta, Morelle, Horsford, Scott, Lee, Jayapal, Sires, Peters, Cooper, Omar; Womack, Johnson, Smith, Flores, Meuser, Timmons, Crenshaw, Hern, Burchett, Roy, and Stewart.

Also present: Speaker Pelosi.

Chairman YARMUTH. The hearing will come to order. Good morning, and welcome to the Budget Committee's hearing on Poverty in America: Economic Realities of Struggling Families.

I want to welcome our witnesses here with us today. This morning we will be hearing from several leaders from the Poor People's Campaign: Reverend Dr. William J. Barber, II; Reverend Dr. Liz Theoharis; Ms. Callie Greer; Ms. Kenia Alcocer; Mr. Christopher Overfelt; and Ms. Savannah Kinsey. We are also pleased to have Pastor Latasha Fields, from the Christian Home Educators' Support System, and Pastor David Mahan from Frontline Youth Communications.

And we are also honored to have Speaker Nancy Pelosi with us this morning. And I ask unanimous consent that the Speaker be permitted to sit at the dais and participate in today's hearing.

Without objection, so ordered.

It also is possible that we will have votes during this hearing. I ask unanimous consent that the Chair be authorized to declare a recess at any time.

Without objection, so ordered. I will now yield myself five minutes for my opening statement.

Again, the hearing has come to order. Good morning, everyone, and thank you for joining us. I would like to welcome once again our panel of witnesses. We appreciate you coming here to help us engage in a meaningful discussion on the character of our country and the ongoing struggle with poverty and economic injustices faced by far too many Americans.

I would also like to thank Congressman Barbara Lee—Congresswoman Barbara Lee for her leadership on this issue, and her work

to bring attention to this ongoing crisis through the Poverty Task Force.

The statistics on poverty are jarring. As of 2017, according to the Census, nearly 40 million people, or more than one in 10 Americans, lives in poverty. But that number, as I know our witnesses will testify to, fails to account for the tens of millions of more Americans who still struggle to make ends meet. At the same time, 90 percent of households account for less than 23 percent of the nation's income.

This past Sunday marked the longest period of time in U.S. history without an increase in the federal minimum wage, and overall wage growth, after adjusting for inflation, has remained nearly stagnant for 40 years. Meanwhile, housing prices have gone up. Prices have gone up dramatically in many areas of the country. Tuition costs have skyrocketed. And Americans are paying more for nearly every expense.

These facts are important, but they tell only part of the story. The purpose of this hearing is to shine a light on the challenges that Americans face in meeting their basic human needs. We will hear from people who experience these challenges firsthand, and whose lives are directly impacted by the decisions and policies made in Washington. That is not to say that the federal government isn't already playing an important role in the lives of American families working their way up the economic ladder. Critical investments in federal programs have kept millions of Americans above the poverty line and have cut the poverty rate nearly in half over the last 50 years.

Medicaid and CHIP provide health coverage to 73 million Americans, including more than one in three children. To date, 33 states and the District of Columbia have expanded their Medicaid programs to low-income working-age adults, helping to bring the nation's uninsured rate to a record low. The Supplemental Nutrition Assistance Program, or SNAP, provides nutrition assistance to nearly 43 million Americans each month, including 1.4 million veterans. The Child Care and Development Block Grants supported nearly 800,000 families, ensuring children were cared for while parents worked to put food on the table. The Earned Income Tax Credit has lifted millions of workers out of poverty, instead of being taxed into it. And in 2017 more than 5 million households received assistance with heating and cooling costs through the Low Income Home Energy Assistance Program, helping families stay safe and healthy.

Though we need to be doing far more, not less. For decades efforts in Washington to close the gap between ongoing efforts to fight poverty and what is needed to fully address this crisis have been inadequate.

But now these programs and the millions they serve are under constant attack. Rather than increasing investments and evidence-based programs that help more struggling Americans get ahead, the Administration is proposing to change the way they measure the poverty rate, and a backdoor attempt to cut off vital aid to potentially millions of Americans. There have also been consistent attempts by states to impose so-called work requirements on Medicaid recipients that only serve to deny health care to people. The

governor of my home state, by his own admission, said his Medicaid waiver request will take potentially lifesaving health care coverage away from more than 90,000 Kentuckians. And the Trump Administration hasn't stopped there. They have rescinded regulations on payday loan lenders that prey on those in poverty, proposed cuts of $220 billion to SNAP, and sought to eliminate LIHEAP.

Many will differ on the role of the federal government in combating poverty. But we shouldn't differ on one concept: the more we can do to lift people out of poverty, the better our budgetary future will look. Poverty is more than just a policy issue; it is a challenge to the conscience of our nation. That is why I am thankful to have the opportunity today to learn about the real, everyday experiences of our witnesses, and to debunk some of the myths surrounding this vital issue.

We need to be making a stronger investment in our people, all our people, so every American has the opportunity to thrive and succeed. I am sure we will hear a lot of ideas and different points of view today as we look at ways to help working families and struggling Americans, which is the point of this hearing. Whether it is practical, or aspirational, or even designed to take a sledgehammer to the status quo, we want to provide a platform for community leaders and those directly impacted by federal policies to share their ideas.

Once again, I would like to thank the Poor People's Campaign and our witnesses for joining us. I look forward to your testimony.

[The prepared statement of Chairman Yarmuth follows:]

Chairman Yarmuth
House Committee on the Budget
Poverty in America: Economic Realities of Struggling Families
Opening Statement
June 19, 2019

This hearing will come to order. Good morning everyone and thank you for joining us. I'd like to welcome our panel of witnesses – we appreciate you coming here to help us engage in a meaningful discussion on the character of our country and the ongoing struggle with poverty and economic injustices faced by far too many Americans.

I would also like to thank Congresswoman Barbara Lee for her leadership on this issue and her work to bring attention to this ongoing crisis through the Poverty Task Force.

The statistics on poverty are jarring: as of 2017, according to the Census, nearly 40 million people – or more than one in ten Americans - live in poverty. But that number, as I know our witnesses will testify to, fails to account for the tens of millions more Americans who still struggle to make ends meet. At the same time, 90 percent of households account for less than 23 percent of the nation's income.

This past Sunday marked the longest period of time in US history without an increase in the federal minimum wage, and overall wage growth, after adjusting for inflation has remained largely stagnant for 40 years. Meanwhile, housing prices have gone up dramatically in many areas of the country, tuition costs have skyrocketed, and Americans are paying more for nearly every expense.

These facts are important, but they tell only part of the story. The purpose of this hearing is to shine a light on the challenges that Americans face in meeting their basic human needs. We will hear from people who experience those challenges first-hand and whose lives are directly impacted by the decisions and policies made in Washington.

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families, ensuring children were cared for while parents worked to put food on the table. The Earned Income Tax Credit has lifted millions of workers out of poverty instead of being taxed into it. And in 2017, more than 5 million households received assistance with heating and cooling costs through the Low-Income Home Energy Assistance Program (LIHEAP), helping families stay safe and healthy.

But we need to be doing far more not less. For decades, efforts in Washington to close the gap between ongoing efforts to fight poverty and what is needed to fully address this crisis have been inadequate. But now, these programs, and the millions they serve, are under constant attack. Rather than increasing investments in evidence-based programs that help more struggling Americans get ahead, the Administration is proposing to change the way they measure the poverty rate, in a backdoor attempt to cut off vital aid to potentially millions of Americans.

There have also been consistent attempts by states to impose so-called work requirements on Medicaid recipients that only serve to deny health care to people. The Governor of my home state – by his own admission – said his Medicaid waiver request will take potentially life-saving health care coverage away from more than 90,000 Kentuckians.

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I'm sure we will hear a lot of ideas and different points of views today as we look at ways to help working families and struggling Americans, which is the point of this hearing. Whether it's practical or aspirational, or even designed to take a sledgehammer to the status-quo, we want to provide a platform for community leaders and those directly impacted by federal policies to share their ideas.

Once again, I would like to thank the Poor People's Campaign and our witnesses for joining us. I look forward to your testimony.

Chairman YARMUTH. Now I ask unanimous consent to submit two documents from the Poor People's Campaign, the moral budget and the audit, in the record.

Without objection, so ordered.

[The information follows:]

APRIL 2018

THE SOULS OF POOR FOLK

AUDITING AMERICA 50 YEARS AFTER THE **POOR PEOPLE'S CAMPAIGN** CHALLENGED RACISM, POVERTY, THE WAR ECONOMY/MILITARISM AND OUR NATIONAL MORALITY

Institute for Policy Studies

Poor People's Campaign: A National Moral Revival

KAIROS

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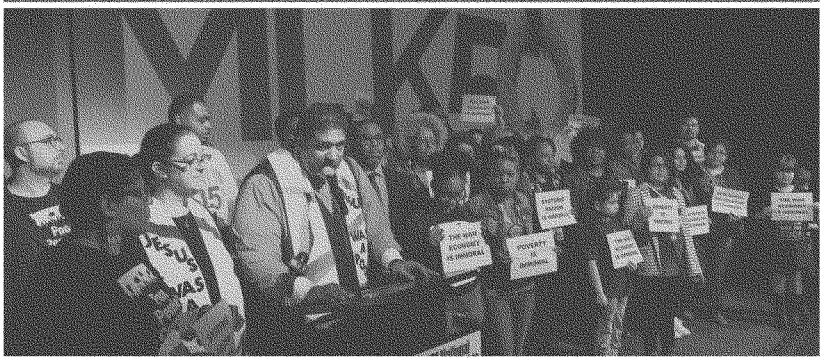


"WE COME TO YOU AS REPRESENTATIVES OF BLACK, INDIAN, MEXICAN-AMERICAN, PUERTO RICAN AND WHITE-AMERICANS WHO ARE THE TOO LONG FORGOTTEN, HUNGRY AND JOBLESS OUTCASTS IN THIS LAND OF PLENTY. WE COME BECAUSE POOR FATHERS AND MOTHERS WANT A HOUSE TO LIVE IN THAT WILL PROTECT THEIR CHILDREN AGAINST THE BITTER WINTER COLD, THE SEARING HEAT OF SUMMER AND THE RAIN THAT NOW TOO OFTEN COMES IN THROUGH THE CRACKS IN OUR ROOFS AND WALLS. WE HAVE COME HERE TO SAY THAT WE DON'T THINK IT'S TOO MUCH TO ASK FOR A DECENT PLACE TO LIVE IN AT REASONABLE PRICES IN A COUNTRY WITH A GROSS NATIONAL PRODUCT OF 800 BILLION DOLLARS. WE DON'T THINK IT'S TOO RADICAL TO WANT TO HELP CHOOSE THE TYPE OF HOUSING AND THE LOCATION. WE DON'T THINK IT'S ASKING FOR PIE IN THE SKY TO WANT TO LIVE IN NEIGHBORHOODS WHERE OUR FAMILIES CAN LIVE AND GROW UP WITH DIGNITY, SURROUNDED BY THE KIND OF FACILITIES AND SERVICES THAT OTHER AMERICANS TAKE FOR GRANTED."

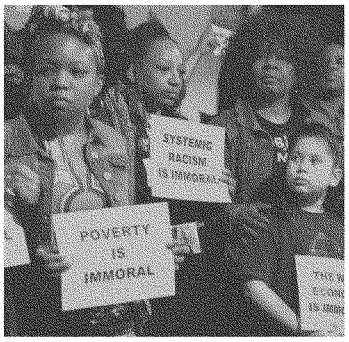
– COMMITTEE OF 100, STATEMENTS OF DEMANDS FOR RIGHTS OF THE POOR, 1968

"WITH THE REALITIES OF SYSTEMIC RACISM, SYSTEMIC POVERTY, ECOLOGICAL DEVASTATION, THE WAR ECONOMY AND THE OFTEN FALSE MORAL NARRATIVE OF CHRISTIAN NATIONALISM, WE ARE IN A MOMENT IN TIME WHICH WE NEED A DEEPLY MORAL, DEEPLY CONSTITUTIONAL, ANTI-RACIST, ANTI-POVERTY, PRO-LABOR, TRANSFORMATIVE FUSION COALITION, WHERE PEOPLE OF ALL DIFFERENT RACES, COLORS AND CREEDS COME TOGETHER AND WORK TOGETHER TO ENGAGE IN MORAL DIRECT ACTION, MASSIVE VOTER MOBILIZATION, AND POWER BUILDING FROM THE BOTTOM UP, STATE BY STATE AND EVEN IN THE U.S. CAPITOL. WE NEED THIS TO CHANGE THE NARRATIVE AND INSIST THAT WE WILL NO LONGER ENGAGE IN ATTENTION VIOLENCE AGAINST THE POOR AND OTHER INTERLOCKING INJUSTICES THAT CONNECT TO POVERTY."

- REV. DR. WILLIAM J. BARBER, II, CO-CHAIR,
POOR PEOPLE'S CAMPAIGN: A NATIONAL CALL FOR MORAL REVIVAL, 2018

"IMMIGRANTS, MUSLIMS, HOMELESS PEOPLE, AND YOUTH ARE UNDER ATTACK. THE POOR ARE FACING SEVERE CUTS TO BASIC SOCIAL SERVICES. MILLIONS OF PEOPLE ARE LIVING WITHOUT CLEAN WATER AND SANITATION SERVICES. VOTING RIGHTS ARE BEING SUPPRESSED AND WARS ARE BEING WAGED ACROSS THE WORLD AND INTENSIFYING. THESE AND MANY OTHER CRISES MEAN IT IS URGENT WE BUILD A POOR PEOPLE'S CAMPAIGN TODAY."

- REV. DR. LIZ THEOHARIS, CO-CHAIR, POOR PEOPLE'S CAMPAIGN: A NATIONAL CALL FOR MORAL REVIVAL, 2017



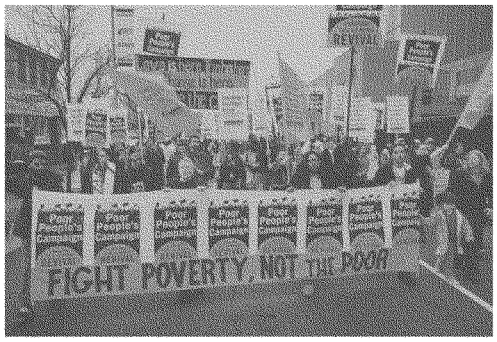
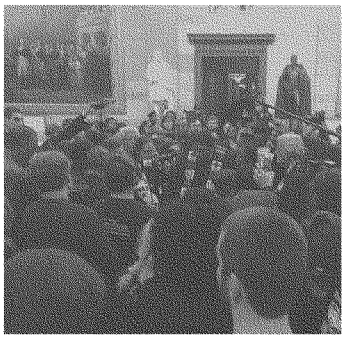


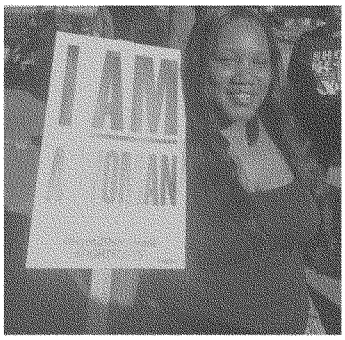
TABLE OF CONTENTS

FOREWORD 1
EXECUTIVE SUMMARY 5
INTRODUCTION 15
SYSTEMIC RACISM 24
POVERTY AND INEQUALITY 40
THE WAR ECONOMY AND MILITARISM 68
ECOLOGICAL DEVASTATION 89
CONCLUSION 112
APPENDIX 1 114
APPENDIX 2 116
ACKNOWLEDGEMENTS 117



FOREWORD

THE SOULS OF POOR FOLK: AUDITING AMERICA 50 YEARS AFTER THE POOR PEOPLE'S CAMPAIGN CHALLENGED RACISM, POVERTY, WAR ECONOMY/MILITARISM AND OUR NATIONAL MORALITY



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REV. DR. JAMES FORBES, JR.
PASTOR EMERITUS, RIVERSIDE CHURCH

DR. TIM TYSON
SENIOR RESEARCH SCHOLAR, CENTER FOR DOCUMENTARY STUDIES, DUKE UNIVERSITY

The Souls of Poor Folk traces the 50 years since 1968, when Rev. Dr. Martin Luther King, Jr., and thousands of Americans, alarmed at their government's blindness to human need, launched the Poor People's Campaign. As they marched up from the nation's neglected shadows, Dr. King paused to answer a plea for support from sanitation workers on strike in Memphis. There an assassin snatched his life on April 4th.

Broken-hearted, this "freedom church of the poor" gathered by the thousands in Washington. They erected "Resurrection City," their encampment on the National Mall, to demand that their government address bitter poverty in the wealthiest nation in the world. They confronted fundamental questions about America's moral and Constitutional vision for all of its people, regardless of their wealth, race, gender or national origin. They demanded attention to the hungry children and inadequate schools from Appalachia to the Mississippi Delta to the devastated inner cities across America. They made moral witness against America's long, pointless, and immoral war in Vietnam, and tried hard to be heard as they carried their testimony forward into public life. The hard history that compelled them to "pray with their feet," as Rabbi Abraham Heschel said, also compelled many Americans to ask whether the republic for which they stood would ever stand for them.

50 years later, beset by deepening poverty, ecological devastation, systemic racism, and an economy harnessed to seemingly endless war, "The Poor People's Campaign: A National Call for Moral Revival" likewise beckons our nation to higher ground. We call upon our society to see the predicaments of the most vulnerable among us and to halt the destruction of America's moral vision. Hundreds of thousands across the nation today stand on the shoulders of that "freedom church" of 1968. We turn to America's history—and to the realities of our own time—not to wallow in a fruitless nostalgia of pain. We seek instead to redeem a democratic promise enshrined in the U.S. Constitution and the Declaration of Independence, yet even more deeply rooted in the living ingredients of our own lives and embodied in the countless and largely unacknowledged grassroots activists who have labored to lift those founding documents to their full meaning. We come to remind our nation what truths we hold to be self-evident. We come to remind our nation what values we hold dear. In Washington and at state capitols around the country, we hope to make a new moral witness from our love for what Maya Angelou called "these yet to be united states."

The Souls of Poor Folk is an empirical study that brings us toward an honest confrontation with our own history—how our path has unfolded since 1968 and how our nation trembles today for lack of moral vision. It summons our highest moral aspirations and diagnoses our deepest national ailments over five decades. It draws on academic research but also upon the testimonies of human beings battered by harmful public policies. Alongside the carefully assembled facts, you will hear the voices of America's poor themselves, many of them now joining this movement. "Not everything that is faced can be changed," James Baldwin reminds us, "But nothing can be changed until it is faced."

The Souls of Poor Folk emphasizes the complex relationships between and across systemic racism, persistent poverty, the war economy and its inevitable militarism, and the ecological devastation from which none can escape. These issues tangle in our lives. If you are, for instance, a mother in

Flint, Michigan, the decision of your government to create and then ignore your lead-poisoned water inflicts an environmental crisis, a health crisis, and a jobs crisis, but also a crisis of democracy. None of the families in Flint whose children are exposed to dangerous levels of lead voted to endanger their little ones. Those in power, however, not only made decisions that poisoned the water, but, when informed about this negligence, intentionally chose not to address or even announce the threat of lasting damage this posed to these children; not because this pollution did not matter, but because these people did not matter.

The issues confronted in *The Souls of Poor Folk* drive the day-to-day struggles of the poor and dispossessed. These issues demand that we dispel the notion that systemic racism, poverty, ecological devastation and the war economy hurt only a small segment of our society. More than 40,600,000 Americans subsist below the poverty line; this report additionally shows that there are close to 140 million people dealing with some combination of these crises every day. Nearly half of our population cannot afford a $400 emergency, which presents a structural crisis of national proportion that ties poverty to things like healthcare and housing. The devastation cuts across race, gender, age, and geography. It has carved a dangerous and deepening moral chasm in America and inflicts a tragic loss of purpose, even among the affluent.

50 years ago this spring, Dr. King and a multi-colored quilt of God's children invoked America's better angels, confident that the keys to our predicaments lay in the hearts of our people. None of our diverse faith traditions celebrate denying food to hungry children or devoting trillions to war and pennies to want. No moral vision embraces the denial of healthcare to our fellow human beings. Many Americans appear to have forgotten their own values and become blind to the needs of other human beings, even those they may still hold in their hearts.

These deep forms of myopia reflect still deeper failures of memory. "The struggle of humanity against entrenched power," writes novelist Milan Kundera, "is the struggle of memory over forgetting." Few recall that the war in Vietnam drained away many of the resources for the War on Poverty, which did much but could have done much more. "Bombs dropped in Vietnam explode at home," Dr. King said. Fewer still recall the prophetic voice of the Poor People's Campaign and that Dr. King died organizing a nonviolent revolution to push America toward a social ethos grounded in love. "We are called upon to raise certain basic questions about the whole society," King preached before his assassination. "We must recognize that we can't solve our problem now until there is a radical redistribution of economic and political power." It is time that we turn to our past in order to understand our present, and then turn forward together to build a better future.

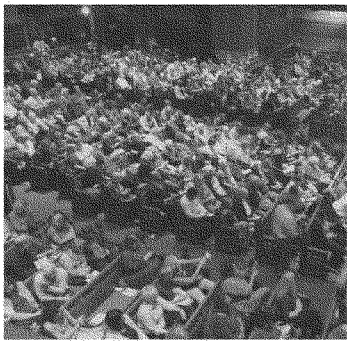
As shining and crucial the role of Dr. King and other notable leaders, neither the Poor People's Campaign of 1968 nor our cause of love, mercy and justice today rolled forward on the gifts of a great leader. Our victories in the timeless cause of love and democracy have always required the devotion of thousands of ordinary people, local communities, grassroots groups, prophetic churches, and organizing traditions. In that spirit, the new Poor People's Campaign will bring together people from all walks of life to the National Mall in Washington and to state capitols across the nation from May 13th to June 23st, 2018, just over forty days to demand that our country see the

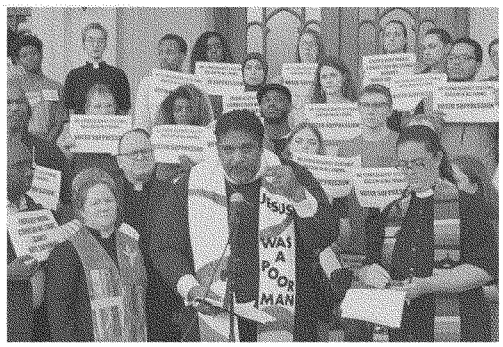
poor in our streets, confront the damage to our natural environment, and ponder the ailments of a nation that year after year spends more money on endless war than on human need. The time has come to stand together and make a national call for moral revival.

"THE PRESCRIPTION FOR THE CURE RESTS WITH AN ACCURATE DIAGNOSIS OF THE DISEASE."

REV. DR. MARTIN LUTHER KING, JR., 1967

EXECUTIVE SUMMARY





The Souls of Poor Folk is an assessment of the conditions today and trends of the past 50 years in the United States. In 1967 and 1968, Rev. Dr. Martin Luther King, Jr., alongside a multiracial coalition of grassroots leaders, religious leaders, and other public figures, began organizing with poor and marginalized communities across racial and geographic divides. Together, they aimed to confront the underlying structures that perpetuated misery in their midst. The move towards a Poor People's Campaign was a challenge to the national morality: it was a movement to expose the injustice of the economic, political, and social systems in the U.S. during their time.

50 years later, *The Souls of Poor Folk* challenges us to take a look at how these conditions have changed since 1968. The stark findings draw from a wide variety of sources, including primary and secondary data as well as interviews with and testimonies by people who have been living through and responding to these changes on the ground. Their words offer deep insight for understanding these conditions and why these leaders feel compelled to call for a Poor People's Campaign today.

The facts, figures, and faces in these pages counter numerous myths about what is wrong with our society, including two of the most prevalent:

1. Poverty is the fault of the poor

There is an enduring narrative that if these millions of people just acted better, worked harder, complained less, and prayed more, they would be lifted up and out of their miserable conditions. This report demonstrates that what Dr. King called the "Triplets of Evil"—systemic racism, poverty, and the war economy and militarism—as well as the interrelated problem of ecological devastation, have deepened since 1968 because of structural and systemic reasons, rather than individual failures.

2. Despite our nation's abundance, there is not enough for all of us to survive and thrive

This report makes a clear case that the richest nation in the world has sufficient resources to protect the environment and ensure dignified lives for all its people. The problem is a matter of priorities, as more and more of our wealth flows into the pockets of a small but powerful few and into our bloated Pentagon budget.

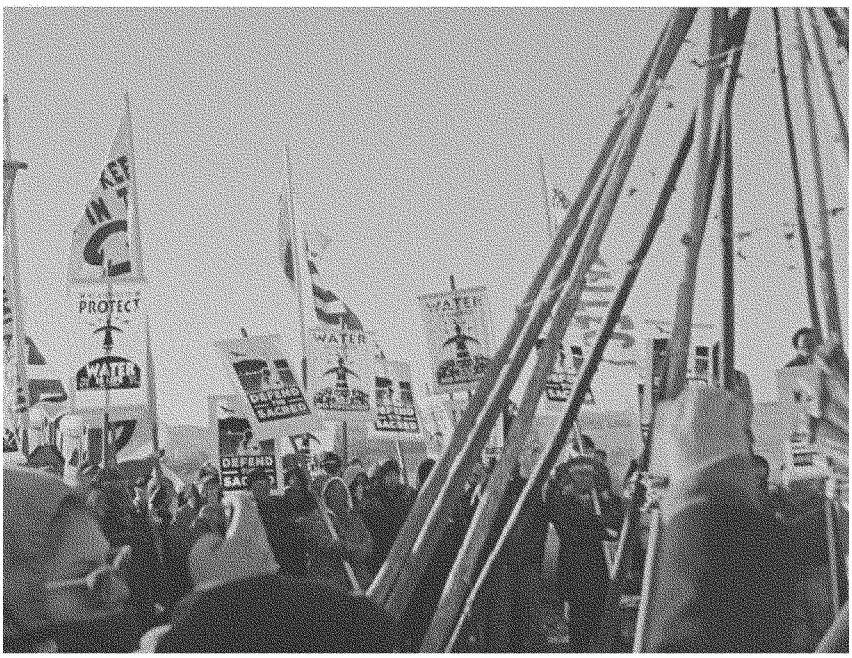
The report also makes the case that the most pressing problems of our time cannot be tackled separately. It connects the attacks on voting rights to the attacks on basic needs like water, health care, living wages, and the shift towards the incarceration and criminalization of the poor, with disparate effects across race, gender, gender identity, and sexual orientation. It shows that

> ***"If we explore the interconnection of systemic racism, poverty, the war economy and ecological devastation, we see how systemic racism allows us to deny the humanity of others; by denying the humanity of others, we are given permission to exploit or exclude people economically; by exploiting and excluding people economically we are emboldened to abuse our military powers and, through violence and war, control resources; this quest for control of resources leads to the potential destruction of our entire ecosystem and everything living in it. And we see how the current moral narrative of our nation both justifies this cycle and distracts us from it."***
>
> Rev. Dr. Liz Theoharis, Co-Chair of the Poor People's Campaign: A National Call for Moral Revival

our pursuit of wars not only costs countless lives abroad, but is also connected to domestic problems, including the gutting of public services, the decline in government accountability, and the poisoning of our water and air. It documents the decline of rural communities over the past 50 years, where hospitals are closing, jails are opening, and diseases that had been eradicated in the 20th century are cropping back up.

Moreover, *The Souls of Poor Folk* reminds us of the ongoing and emerging resistance and organizing that is compelling a change in our national priorities.

> ***"In the economy of the 21st century, only a tiny percentage of the population is immune from the possibility that they could fall into poverty as a result of bad breaks beyond their own control. The American Dream is quickly becoming the American Illusion."***
>
> Prof. Philip Alston, United Nations Special Rapporteur on Extreme Poverty and Human Rights



KEY FINDINGS

Systemic Racism

- **Legislative actions and legal decisions at the federal and state levels have severely restricted the ability of people of color, especially poor Black people, Latinx, and Native Americans, to participate in democratic processes.** This includes the 2013 *Shelby v. Holder* Supreme Court case, which gutted the 1965 Voting Rights Act. Further, 23 states have adopted some form of voter suppression law since 2010, and 25 states have pre-empted cities from passing minimum wage laws (many in response to successful grassroots living wage campaigns). In Michigan, emergency financial management laws have paved the way for state-appointed and unaccountable managers to sideline democratically elected local officials. Flint was under emergency management when city officials made decisions that poisoned the city's water supply.

> *"They could not take our water away without taking our democracy first."*
>
> Claire McClinton, Flint Democracy Defense League

- **"Tough on crime" politics has led to increased policing of poor communities and a tenfold increase in annual federal discretionary spending on prisons since 1976**. The number of sentenced inmates of all races in U.S. state and federal prison grew from 187,914 in 1968 to 1,458,000 in 2016. People of color account for 66 percent of people in prison, while they make up only about 39 percent of the total population. And the number of citizens disenfranchised due to felony convictions has tripled, from 2 million in 1968 to 6.1 million in 2016, including one in thirteen Black adults.
- **Federal spending on immigration, deportation, and border policies increased from $2 billion to $17 billion and deportations increased tenfold between 1976 and 2015.** These anti-immigrant measures affect not only deportees and detainees, but also their communities and family members, who face greater difficulty in affording basic expenses, meeting rent, and paying for utilities.

Poverty

> *"It is a spiritually impoverished nation that permits infants and children to be the poorest Americans."*
>
> Marian Wright Edelman, Founder and President, Children's Defense Fund

- **Restrictions on democratic participation are compounded by structural changes in employment towards a low-wage economy, tied to a decline in union membership.** At the time of the 1968 Poor People's Campaign, productivity and

wages had been rising in tandem for at least two decades. But beginning in the 1970s, employers no longer shared the benefits of improved productivity with their workers. Between 1973 and 2016, hourly compensation increased just 12.3 percent, while productivity increased 73.7 percent. This has been accompanied by anti-union policies like "right to work" laws that have undermined workers' power to bargain collectively. Between 1968 and 2017, the share of U.S. workers in unions fell from 24.9 percent to 10.7 percent.

- **Instead of going to workers, massive gains from economic growth have been going to a smaller and smaller share of society.** Since 1968, the top 1 percent's share of national income has nearly doubled while the official poverty rate for all U.S. families has merely inched up and down. The 400 wealthiest Americans now own more wealth than the bottom 64 percent of the U.S. population (or 204 million people).
- **Nearly 41 million Americans live below the federal poverty line.** In absolute terms, White people made up 42.5 percent of this population (17.3 million), and the next two largest groups are Latinx (11.1 million) at 27.4 percent, and Black Americans (9.2 million) at 22.7 percent. In relative terms, Native Americans and Alaska Natives have the highest poverty rate of any racial group, at 26.2 percent. Black people have the second-highest poverty rate, at 22 percent. This is followed by Latinx people (19.4 percent), White people (11 percent), and Asian Americans (10.1 percent).
- **Nearly 140 million people (43.5 percent) are either poor or low-income** under the alternative Supplemental Poverty Measure (SPM), which goes beyond income to consider out-of-pocket expenses for food, clothing, housing and utilities, geographic disparities, and federal assistance. "Low income" in this context means a household making less than twice the poverty line.
- **Almost four in ten children spend at least one year of their lives in poverty, meaning that there has been a rise, also, in the number of poor families.** In 2016, households led by single mothers comprised almost 30 percent of families with incomes below the poverty line. Households led by Native women had the highest poverty rates (42.6 percent), followed by those headed by immigrant women (almost 42 percent), Latinx women (40.8 percent), Black women (38.8 percent) and White women (30.2 percent). LGBTQ people are disproportionately represented among the poor as well.
- **The scaling back of anti-poverty programs has contributed to the perception that government programs do not work.** By far the greatest reduction in federal spending for low-income families came with the passage of Personal Responsibility and Work Opportunity Reconciliation Act in 1996, which eliminated Aid to Families with Dependent Children (AFDC) and replaced it with Temporary Assistance for Needy Families (TANF). TANF drastically reduced resources available to families in poverty and imposed unrealistic work requirements. The AFDC program assisted 68 percent of poor families with children in 1996. Today, TANF assists only 23 percent of poor families with children. In all but 3 states, TANF benefits have declined since 1996, with monthly benefits in all 50 states equal to or below two-thirds of the federal poverty line. These changes in welfare were part of the overall shift towards a low-wage economy.
- **Housing, higher education, and health care costs have increased significantly.** Over the past 30 years, rents have gone up faster than income in nearly every urban area in the country. In

2016, there was no state or county in the nation where an individual earning the federal minimum wage of $7.25 an hour could afford a two-bedroom apartment at market rent. As of 2017, for every 100 extremely low-income renters, a mere 35 will find affordable housing.

- **Cuts in federal housing assistance and affordable, subsidized housing since the 1970s have contributed to rising structural homelessness.** A government survey of people who were homeless in 2017 found that 41 percent were Black, 47 percent were White, and 22 percent were Latinx. A majority of homeless families are headed by single women with young children. The problem is particularly acute for LGBTQ youth, who represent between five and ten percent of the nation's young people, but between 20 and 40 percent of the homeless youth population. A 2015 survey found that a much larger number of people, estimated at 2.5 million to 3.5 million, sleep in shelters or encampments at some point every year, while another estimated 7.4 million are on the brink of homelessness, having lost their own homes and transitioned into the homes of others.

- **Student debt levels have exploded, driven in part by the growth of high-cost, high-risk, for-profit colleges, which now make up nearly a third of new higher education opportunities.** Among for-profit college students, 64 percent are women, 52 percent are people of color, 50 percent have dependent children, and 51 percent work full-time while enrolled. Student debt now amounts to $1.34 trillion and affects about 44 million Americans.

> *"There was a direct connection between the people that were living in subsidized housing, the massive cuts to affordable housing, and the need to open emergency shelter programs...And then we also saw a new category of poor people – homeless poor people – who were somehow different from all the other poor people. But the only difference between homeless poor people and housed poor people is that one is indoors and one is outdoors."*
>
> Paul Boden, director of the Western Regional Advocacy Project

- **Even under the Affordable Care Act, about 31 million people remain uninsured, including 4.6 million Black people, 10.2 million Latinx and 13.6 million Whites.** This is despite the fact that the U.S. spends more per capita on health care than any other country, at approximately $10,348 per person per year. In 2016, 43 percent of adults *with* health insurance struggled to pay their deductibles, nearly 30 percent had a hard time affording medical bills and 73 percent cut back on basic household needs and food to pay their medical bills. Medical debt is the number one cause of personal bankruptcy filings, with an estimated 40 percent of Americans taking on debt because of medical issues.

- **America has become a debtor nation.** Excluding the value of the family car, 19 percent of all U.S. households (60 million people), 30 percent of Black households, 27 percent of Latinx households, and 14 percent of White households have zero wealth or their debts exceeded the value of their assets.

The War Economy and Militarism

- **Since Vietnam, the United States has waged an ongoing war against diffuse enemies,**

siphoning massive resources away from social needs. The current annual military budget, at $668 billion, dwarfs the $190 billion allocated for education, jobs, housing, and other basic services and infrastructure. Out of every dollar in federal discretionary spending, 53 cents goes towards the military, with just 15 cents on anti-poverty programs.

> *"Our society is responsible for the creation of this soldier and that soldier's mind, more so I think than the individual person, because you are taught who to be.... And I know a number of members [of Veterans for Peace] who have done horrendous things and they're paying a price, a personal price, every day and every night."*
>
> Michael McPhearson, Gulf War veteran and director of Veterans for Peace

- **Washington's wars of the last 50 years have had little to do with protecting Americans, while the profit motive has increased significantly.** With private contractors now performing many traditional military roles, there have been almost 10 times as many military contractors per soldier in the Afghanistan and Iraq wars as there were during the Vietnam War, many of them making far more money than underpaid U.S. soldiers. Army privates in combat earned less than $30,000 in 2016. At the top end of the pay scale, the disparities are even more extreme. In 2016, the CEOs of the top five military contractors earned on average $19.2 million—more than 90 times the $214,000 earned by a U.S. military general with 20 years of experience, including housing allowances and extra combat pay and approximately 640 times the amount earned by Army privates in combat.

- **U.S. military interventions have caused staggering numbers of civilian deaths in poor countries.** According to the United Nations, almost one-third more civilians died in Afghanistan during the first nine months of 2017 than during that same period in 2009 when the counting began. Compared to the same period in 2016, there was a 52 percent increase of civilian deaths from airstrikes in 2017, with women and children comprising 68 percent of these deaths.

- **Perpetual war has also taken a toll on U.S. troops and personnel.** In 2012, suicide claimed more military deaths than military action. A follow-up study found that in 2014, the risk of suicide was 22 percent higher among veterans than among U.S. civilian adults. By September 2017, an average of 20 veterans were still dying by suicide each day. Among women in the military, sexual harassment is rampant. A 2012 Department of Veterans Affairs survey indicated that nearly half of female military personnel sent to Iraq or Afghanistan had reported being sexually harassed, and nearly 25 percent said they had been sexually assaulted.

> *"As horrifying as the status of women in Afghanistan may sound to those of us who live in the West, the biggest problems faced by Afghan women are not related to patriarchy. Their biggest problem is war."*
>
> Sonali Kolhatkar and Mariam Rawi, Afghan women activists

- **Militarism abroad has gone hand in hand with the militarization of U.S. borders and of poor communities across this country.** Local police are now equipped with war machinery such as the armored military vehicle deployed in Ferguson, Missouri, in response to protests over the police killing of a Black teenager, Michael Brown, in 2014. Young Black males have been

> *"Why invest in children, or healing and recovery, when there's money to be made in keeping the jails full?"*
>
> Aaron Scott, Chaplains on the Harbor

hardest hit by this escalation in force. They are nine times more likely to be killed by police officers than other Americans, while rates of police killings for Native American and Latinx men are also disproportionately high and poor youth of all races have suffered.

- **The perpetual war economy is also linked to the broader trend of criminalization of the poor over the past 50 years.** Policies that criminalize the very condition of being poor have continued to expand since the 2008 financial crisis. By the Department of Justice's own admission, ninety-five percent of the growth in the incarcerated population since 2000 is the result of an increase in the number of defendants unable to make bail. This is also the result of the fact that bail amounts themselves have increased over the years.

Ecological Devastation

- **The U.S. and global climate and ecological crises are multipliers of the other injustices documented in this report.** Fossil fuel, chemical, and other industries have been allowed to poison our air, water, and land, contributing to an estimated 9 million premature deaths (16 percent of all deaths) worldwide in 2015—three times more deaths than from AIDS, tuberculosis, and malaria combined and 15 times more than from all wars and other forms of violence. The environmental death toll is expected to rise exponentially as a result of climate change. And the poor, particularly poor people of color, face the worst impacts.

> *"It was one thing to know that you didn't have water and you couldn't afford your water. It's a whole other thing to find out they shut off your entire community's water and none of you matter."*
>
> Valerie Jean, mother of five, grandmother of two, and member of Michigan Welfare Rights Organization

- **The tragic effects of Hurricane Maria on Puerto Rico in 2017 are a disturbing example of rising climate change threats, particularly for the poor.** Catastrophic events like hurricanes and flooding are partly attributable to climate change and are expected to become more frequent. When Maria hit Puerto Rico, where the poverty rate was already 43.5 percent, almost the entire island lost access to electricity. Two months later, more than half of the island's residents still lacked power and about nine percent lacked water. The delay was partly due to the poor state of the island's infrastructure, which had been allowed to deteriorate as the U.S. Congress pressured the island to prioritize debt payments to Wall Street. A New York Times analysis indicates as many as 1,025 people may have died as a result of the hurricane.

- **Across the United States, poor people face crises of water affordability, water pollution, and water scarcity in some areas exacerbated by climate change.** As a percentage of income, poor households spend seven times as much on water bills as wealthy households. The United Nations recommends that, in order to remain affordable, water rates do not exceed 3 percent of household income. Yet, there are 13.8 million low-income households that already spend more

> *"Our addiction to fossil fuels in America is so predominant that we have spent an insane amount of military assets to protect it—the drilling, the supply, the trade, and pathways for fossil fuels. And here we are again in another brutal occupation that's not in Iraq or the Middle East, but in our own country, against our own citizens, people who have lived generations before White people arrived, fighting against these same mechanisms, the same corporations, the same government agencies, to try and stop this environmental colonialism. There is a direct relation to my fight in Iraq for oil and these people's fight here against oil."*
>
> Garett Rappenhagen, an Iraq War veteran who joined a delegation of veterans to Standing Rock, North Dakota in 2016

than 4.5 percent of their income on water, and some communities are facing water shut-off rates of 20 percent or more. Federal assistance to local water systems is now 74 percent below its peak in 1977, adjusted for inflation, even as pipes are aging and infrastructure investment needs are rising.

- **While poor urban populations deal with rising water bills, the rural poor often lack access to piped water and sewage systems, with striking racial disparities.** According to a 2016 study, an estimated 540,000 households (1.4 million to 1.7 million people) reported a lack of access to complete plumbing facilities. Of the 20 counties with the highest percentage of households lacking access to complete plumbing, all were rural and 13 had a majority Native American or Alaskan Native population.

- **Meanwhile, pipeline infrastructure to transport oil and gas has been expanding, even though it poses serious threats to the climate, water quality, and public health through leakage as well as catastrophic spills.** The proximity of pipelines to freshwater sources is particularly dangerous, since leaks of pollutants into water can spread large distances and affect drinking water sources for downstream communities. Between 1998 and 2017, there have been 5,712 significant oil and gas leaks or ruptures on U.S. pipelines. Between 1964 and 2015, there were 2,441 spills from offshore oil drilling operations in U.S. territorial waters, discharging almost 5.2 million barrels (218 million gallons) of oil. The largest of these was the 4.9 million barrel Deepwater Horizon "BP" oil spill off the coast of Louisiana in 2010.

- **The U.S. Department of Defense (DoD) was responsible for emitting 72 percent of the U.S. government's total greenhouse gas emissions in 2016.** The DoD's overseas emissions, which are produced during the most destructive operations of the U.S. military, accounted for 56 percent of the U.S. Government's total greenhouse emissions; however, these overseas emissions are exempt from the U.S. Government's emissions reduction goals.

***

As Rev. Dr. King said in 1967, "we must see now that the evils of racism, economic exploitation and militarism are all tied together…you can't really get rid of one without getting rid of the other." Today these evils, along with ecological devastation, have become more and more tightly bound together. They are part of a larger system that has concentrated economic and political power into fewer and fewer hands, driving a deepening and dangerous inequality that is impacting the majority of people in this country.

This means we must break through the notion that systemic racism, poverty, the war economy, militarism and ecological devastation only hurt a small segment of our society.

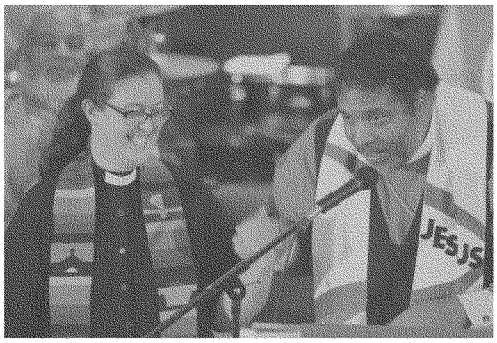
There are 140 million people struggling every day, and even more are saddled with debt or otherwise unable to make ends meet. Meanwhile, a small minority has amassed unheard-of wealth and power. In 2017, just three White men owned as much wealth as the bottom half of the U.S. population or 160 million people. And of the top 400 wealthiest people in the U.S., there are just two Black individuals and five with Latinx backgrounds. This predominantly White super wealthy class, however, does not represent the conditions facing the majority of White people in the country, even though they are used to prop up and maintain systemic racism and systems of white supremacy that keep people poor, in debt and in jail.

This report shows what has happened as the government increasingly caters to the interests of those few rich and powerful rather than being accountable to the poor and marginalized majority. In response, it is necessary to bring together all those who are impacted to build their own power.

This kind of power is emerging through the Poor People's Campaign: A National Call for Moral Revival. The Poor People's Campaign is a moral fusion coalition that is multi-racial, multi-gendered, intergenerational, inter-faith and constitutionally grounded and has been growing in more than 25 states around the country. It is seeking to build a unity across race, issue, gender, gender identity, sexual identity, age, faith and geography that can break through the politics that divide us.

The *Souls of Poor Folk* is providing an empirical basis to build and strengthen that unity. It also is only a beginning. It does not, and cannot, address the full range of issues under each theme. For this reason, we hope that it encourages more research, debate, and analysis, so that we may, together, identify the solutions we so desperately need.

> ***"Throughout America's history — from abolition, to women's suffrage, to labor and civil rights — real social change has come when impacted people have joined hands with allies of good will to stand together against injustice. These movements did not simply stand against partisan foes. They stood for the deep moral center of our Constitutional and faith traditions. Those deep wells sustained poor and impacted people who knew in their bones both that power concedes nothing without a fight and that, in the end, love is the greatest power to sustain a fight for what is right."***
>
> Rev. Dr. William J. Barber, Co-Chair of the Poor People's Campaign: A National Call for Moral Revival



INTRODUCTION

REV. DR. WILLIAM J. BARBER, II
PRESIDENT, REPAIRERS OF THE BREACH, AND CO-CHAIR OF THE POOR PEOPLE'S CAMPAIGN: A NATIONAL CALL FOR MORAL REVIVAL

REV. DR. LIZ THEOHARIS
CO-DIRECTOR, KAIROS CENTER FOR RELIGIONS, RIGHTS AND SOCIAL JUSTICE AND CO-CHAIR OF THE POOR PEOPLE'S CAMPAIGN: A NATIONAL CALL FOR MORAL REVIVAL

Callie Greer's daughter, Venus, died in her arms because she did not have health care. Venus did not die because it was her time to go or because God called her home, but because Alabama did not expand Medicaid under the Affordable Care Act.

Venus' death is not an isolated event. She was killed by the intersecting injustices of systemic racism, poverty, ecological devastation, the war economy and a distorted moral narrative. More than 250,000 people like Venus die in the United States from poverty and related issues every year, according to a 2009 study from the Mailman School of Public Health at Columbia University. The politicians who pass policies that result in death and hardship for many maintain control of our political system through racialized voter suppression. Rather than invest in programs that improve equity, our federal government spends fifty-three cents of every dollar on the war economy. Meanwhile, climate change and ecological devastation from oil spills to pollution are wreaking havoc on our lives and livelihoods, even as the name of God is used to justify these attacks on poor people and the earth.

Why the Poor People's Campaign: A National Call for Moral Revival

50 years ago, the Rev. Dr. Martin Luther King, Jr., and many others called for a "revolution of values" in America. They invited people who had been divided to stand together against the "triplets of evil"—militarism, racism, and economic injustice—to insist that people need not die from poverty in the richest nation to ever exist. They sought to build a broad, fusion coalition that would audit America: Together, they would demand an accounting of promissory notes that had been returned marked "insufficient funds." Today that effort is still incomplete.

The Poor People's Campaign: A National Call for Moral Revival has developed out of years of organizing across the United States. In communities across this land, people impacted by systemic racism, poverty, ecological devastation, the war economy and our distorted moral narrative have said the same thing: "We want to be free! We need a Poor People's Campaign! We need a Moral Revival to make this country great for so many for whom it has not yet been."

To carry on this unfinished work, we are building a national movement from the states up. This is the kind of movement we need to unleash what Dr. King called "a new and unsettling force in our complacent national life." The fights for racial and economic equality are as inseparable today as they were half a century ago. We face a crisis in America: more than two in five Americans are poor or low-income, while millions of children and adults continue to live without access to health care, housing, clean water, or good jobs. At the same time, the issues of poverty and racism have been forced to the margins of the moral narrative and debate in our society. The distorted moral narrative that dominates the discussion has a limited focus on personal morality, overshadowing and supplanting a commitment to public morality rooted in a critique of systemic greed, racism, and injustice.

There was a time when our nation fought a War on Poverty; now, it seems, we are waging a war on the poor. Our social fabric is stretched thin by widening income inequality, while politicians

criminalize the poor, fan the flames of racism and xenophobia to divide the poor, and steal from the poor to give tax breaks to our richest neighbors and budget increases to a bloated military.

Why an audit

Because we believe in the importance of empirical analysis and real-life stories, The Poor People's Campaign: A National Call for Moral Revival commissioned this "audit" of the past 50 years. We must take stock of where our country has headed over the past 50 years and where we are today in order to suggest where we must go.

We are pleased to release The Souls of Poor Folk: Auditing America 50 Years After the Poor People's Campaign Challenged Racism, Poverty, Militarism and Our National Morality and with it, a clear framework for the moral agenda of the Poor People's Campaign: A National Call for Moral Revival.

This report shines a light on the facts, figures and faces of those most impacted by systemic poverty, racism and militarism, over the past 50 years. It reminds us that we stand on the shoulders of freedom fighters who helped lead the 1968 Poor People's Campaign and that we also have far to go to overcome systemic racism, poverty, militarism and the war economy and ecological devastation. It confirms the fact that we need a Poor People's Campaign and a moral revival in the land – we need to shift the moral narrative in this country and proclaim that health care, voting rights, housing, living wage jobs, education, just immigration, and equal protection under the law are the real moral values we must hold up. It shows us that poor and marginalized people from all backgrounds, all places, and all religions are organizing and fighting for their lives, rights and deepest values. It insists that all humans have dignity and that life is sacred. In the stories and statistics shared in this Audit, we see the heart, souls, and leadership of poor people who are standing up to injustice and building a new world.

Why we must shift the moral narrative

The Poor People's Campaign: A National Call for Moral Revival aims to shift the distorted moral narrative, often promoted by religious extremists, from a focus on narrow issues like prayer in school, abortion, and gun rights to a focus on how our society treats the poor, those on the margins, the least of these, LGBTQ folks, workers, immigrants, the disabled and the sick; to how we institutionalize equality and equal representation under the law; and how we realize the desire for peace, love and harmony within and among nations.

In the 2016 Presidential Election, there were 25 debates in the primaries and the general election. Not one of these debates focused significantly on voter suppression, poverty, ecological devastation, or the war economy, all of which are central issues that impact most of us living in these United States most of the time. For too long the accepted moral narrative in America has blamed poor people for their poverty, pitted people against each other, separated systemic racism from poverty and ecology and the war economy, and spread the lie of scarcity: the idea that there is not enough to go around. And we have inherited a language that is too timid and puny for the crisis we face. The language of

left versus right and liberal versus conservative is too trivial to challenge the extremism that overwhelms our public discourse. We need a deeper, moral language to name this crisis: we need moral clarity. We must say, "Some things are not right versus left, but right versus wrong."

Why a moral fusion movement?

The Poor People's Campaign: A National Call for Moral Revival is rooted in a moral analysis based on our deepest religious and constitutional values that demand justice for all. Every major religious tradition places challenging oppression and criticizing systems of injustice at the center of its moral considerations. In addition, the moral principles of our Constitution are focused on establishing justice for the general welfare. We have lost this direction and a moral revival is necessary to change course and save the heart and soul of our democracy. This means lifting up and deepening the leadership of those most affected by systemic racism, poverty, the war economy, and ecological devastation and building understanding and unity across lines of division.

We know this is necessary because the rivers of resistance in our traditions echo their truths down through the centuries. And we know it is possible because we have seen it in North Carolina and in other states across the country. When extremist forces took over all three branches of government in North Carolina, people cried out in resistance. "Moral Mondays" protests drew tens of thousands to our state house in 2013 and inspired the largest state-government-focused civil disobedience campaign in U.S. history.

We dug deep into our state's history of fusion politics and committed to stand together. And we learned something about extremism: the same folks who were attacking public schools in our state were attacking health care. And the same folks against health care were against the LGBTQ community. And they were against labor. And they were attacking immigrants and Muslims and poor people. And to top it all off, the extremists were crying "voter fraud" as justification for the worst voter suppression measures since Jim Crow. All of these connections revealed something deeper about our movement: if they were cynical enough to get together on all of these issues, we had to be courageous enough to come out of our single-issue silos and fight together in the streets, in the legislature, in the courts and at the ballot box.

Through sustained moral fusion organizing, we were able to push back against extremism for four long years; to see political change in the defeat of an extremist Republican governor, the election of a progressive majority to our state Supreme Court, a federal court order for special elections to address racial gerrymandering in state legislature districts, and the overturning of a monster voter suppression law that targeted African-Americans "with almost surgical precision," according to a federal court. What began with an outcry in North Carolina became a sustained movement for political change through moral, fusion organizing, led by poor and impacted people.

And decades before, poor and homeless people in Pennsylvania, New York, Michigan, Texas, California, Massachusetts, Louisiana, Minnesota and many states across the country had united and organized across racial and geographic lines to win voting rights and housing rights and workers'

rights. They stand ready now to continue the fight and build the Poor People's Campaign: A National Call for Moral Revival.

Throughout America's history—from abolition, to women's suffrage, to labor and civil rights—real social change has come when impacted people have joined hands with allies of good will to stand together against injustice. These movements did not simply stand against partisan foes. They stood for the moral center of our Constitutional and faith traditions. Those deep wells sustained poor and impacted people who knew in their bones both that power concedes nothing without a fight and that, in the end, love is the greatest power to sustain a fight for what is right.

This moment requires us to push into the national consciousness a deep moral analysis as the foundation for an agenda to combat systemic poverty and racism, war mongering, economic injustice, voter suppression, and other attacks on the most vulnerable. We need a long term, sustained movement led by the people who are directly impacted by extremism. The Kairos Center and Repairers of the Breach and the dozens and hundreds of organizations we have worked with over the years have laid the foundation for this campaign over the past decade. Much like Septima Clark and the Highlander Center's Citizenship Schools in the 1950s and 60s, we have identified and connected grassroots leaders across the nation who are ready to join hands with new allies for sustained direct action that can fundamentally shift the narrative about who we are and who we want to be in this land.

This much is clear – our nation is in need of a movement, not just a moment. We are in need of transformation not just transaction. We need change not charity. And this nonviolent, multiracial, intergenerational, army of the poor is rising up to break every chain of injustice in the land.

During slavery, Harriet Tubman and Frederick Douglass and some Quakers and white evangelicals got together and formed a fusion movement that brought about abolition. When women didn't have the right to vote, Sojourner Truth and Elizabeth Cady Stanton got together, and they stood together until suffrage was won. Every major social movement in this nation's history has won, in the end, because a moral, fusion coalition came together and refused to stand down in the face of tyranny. It's our time now.

Why a launch, not just commemoration?

On December 4, 2017, grassroots leaders and clergy and activists launched the Poor People's Campaign: A National Call for Moral Revival. This was the 50th anniversary of the call for a Poor People's Campaign in 1967/68. But this Campaign is not a commemoration of what Dr. King and others did 50 years ago. We believe the only way you can honor the work that has come before is to reach back and pick up the baton and continue to build a movement. We stand on the shoulders of great leaders who have come before and fought for justice. But now this is our fight.

When thousands of people from at least 25 states across the country and Washington D.C. engage in a season of nonviolent moral fusion direct action, we will begin to break through the noise of racism,

poverty, militarism, ecological devastation, and Christian nationalism to demonstrate that another America is possible. Our work for the months and years to come is to build the political will and power to become the country we have never yet been.

This will necessarily be a multi-year undertaking. The 40 days will not be the culmination of work grassroots leaders are doing throughout the country, but a launch of a powerful, diverse, constitutionally grounded, moral movement in the United States.

Why State Capitols and Washington DC?

We will build up the power of people and state-based movements to serve as a vehicle for a powerful, long-term, moral movement in this country; and to transform the political, economic and moral structures of our society. We recognize the need to organize at the state and local level—many of the most regressive policies are being passed at the state level, and these policies will have long and lasting effect, past even executive orders. This movement must grow from the ground-up, not from the top-down: We are nationalizing state-based moral anti-poverty, anti-racist, pro-peace, pro-ecology movements with those most impacted in the lead.

Why five interlocking injustices?

Our experience in communities across this land has revealed how these five injustices intersect in America today. We have seen how systemic racism allows the powerful to deny the humanity of others; by denying the humanity of others, they are given permission to exploit or exclude people economically; they make use of their military powers to defend their ability to exploit and exclude people, and to control resources; this quest for control of resources leads to the potential destruction of our entire ecosystem and everything living in it. And we see how the current moral narrative of our nation both justifies this cycle and distracts us from it.

In Detroit, on the day that DACA was revoked by Donald Trump, a young Latino man named Adonis stood in front of a crowd as diverse as America and said, "They came after our Muslim neighbors, and we went to the airports to stand with them. They came after our sick family members, and we fought the repeal of the ACA. They're coming after DACA now, and we're going to stand. But we're not just standing for ourselves. We're standing for all of us."

Adonis was speaking at a press conference and mass meeting of the Campaign. This mass meeting followed ones in Charlotte, North Carolina and Albuquerque, New Mexico; Detroit, Michigan; Topeka, Kansas and Louisville, Kentucky; Charlottesville, Virginia and Milwaukee, Wisconsin, where Black, brown, Native, white, young, old, Muslim, Jewish, Christian, agnostic, straight, and queer people packed into houses of worship to proclaim that we need a Poor People's Campaign and a revolution of values in our society.

This Campaign is bringing people together, breaking down walls that have been erected to divide us and building the power of people to right the wrongs of society and bring liberty and justice for all.

Why the souls of poor folk?

Indeed, there is a moral movement rising up in this country that is calling out these contradictions in our national morality. We are well aware that the only remedy for our moral crisis is a transformed national heart: a moral movement for families and communities rooted in constitutional and sacred values of compassion, empathy, and courageous dedication to the common good.

There is inalienable worth and intrinsic value to every person, regardless of wealth or public position. Policies that hurt the poor are a violation of that inalienable value. The "Souls of Poor Folk" is a declaration of the inherent value of every human being and a reminder that we are all worthy of the very necessities of life. It is also in direct contradiction to those who make moral claims about caring for the souls of people, but then pass policies that destroy their bodies and communities.

Please share the Souls of Poor Folk with anyone who has experienced this crisis first hand, or will listen to those who have. We invite everyone interested in being a part of this movement to join the *Poor People's Campaign: A National Call for Moral Revival.*

Sign the pledge to get involved by going to www.poorpeoplescampaign.org.

A Fusion Movement in the South: The Moral Monday/Forward Together Movement

The Forward Together Moral Movement, better known as "Moral Monday," originated in North Carolina. Its weekly protests in 2013 gave it the nickname, but the movement rested on seven prior years of coalition-building around issues like poverty, public education, voting rights, racial justice, living wages, women's rights, environmental protection and healthcare. In 2006, Rev. Dr. William J. Barber, II, then President of the North Carolina NAACP, and a corps of activists brought together sixteen progressive statewide organizations to launch the Historic Thousands on Jones Street coalition (HKONJ).

Those sixteen grew to more than two hundred civic and religious groups. "We recognized that many of the same political forces that are against, say, gender rights, are often also against education equality, environmental justice, and policies that help the poor," recalls Rev. Dr. Barber. "And so we said that we needed in North Carolina—and we said this when Democrats were in office—to revive a new form of Fusion politics if we were going to really address the South."

Fusion politics emerged in the South after the Civil War. "Between 1865 and the turn of the twentieth century," writes University of Chicago historian Jane Dailey, "every state south of the Mason-Dixon line experimented with political alliances that spanned the color line." In Virginia, Tennessee and North Carolina, interracial coalitions won control of state governments.

North Carolina's Fusion Movement came to power in 1868 and abolished slavery, provided universal male suffrage without regard to race or property ownership, and made public education a constitutional right. In the 1870s, white supremacists overthrew democratic governance. But in the 1890s, the Fusion Movement rose again. Black citizens who sought access to the ballot and safety from white terrorism joined with white farmers sick of exploitation by the banks, railroads, and rising industrialists. They championed free public education, modest regulation of monopoly capitalism, and "one man, one vote." They elected a Fusionist governor, swept the legislature, and took both U.S. Senate seats. Though hardly perfect, the Fusion coalition forged a bold experiment in interracial democracy. In 1898, white conservatives overthrew the government, stripped the vote from African Americans, and built a one-party Jim Crow state that lasted until the 1960s. Fusion politics nevertheless lit a beacon in whose light the civil rights movement marched and which the Moral Monday coalition lifted again.

In 2010, far-right Republicans took a majority in the legislature and drew new voting districts along racial lines. This maneuver allowed them to win a legislative super-majority in 2012. They quickly passed bills designed to tamp down voting by young people, Black, Latinx and poor people. The legislature also slashed unemployment benefits, cut taxes on the wealthy and corporations while raising them on the bottom 95 percent of citizens. They eliminated the Earned Income Tax Credit for 900,000 lower income families and blocked expansion of Medicaid, which pushed half a million poor people off their health insurance.

That spring of 2013, the Fusion coalition, avoiding partisan and ideological divisions and focusing on common moral and democratic values, stitched together a huge coalition of poor, wealthy and middle class; medical professionals and the uninsured; Christians, Jews, Muslims, and people from many other faith traditions alongside non-religious citizens who shared their belief in a social order grounded in love; LGBTQ groups and environmentalists; women's rights advocates and labor unions; teachers and students; Democrats and Republicans.

The movement built momentum in 2013 by turning out people every Monday at the state legislature to protest the outpouring of harsh and immoral laws. On April 29, about a hundred people showed up and the Capitol Police arrested seventeen demonstrators. Over the next eighteen weeks of "Moral Mondays," more than a thousand people went to jail in acts of civil disobedience. Tens of thousands flooded the General Assembly. Over the next four months, North Carolina's Republican governor fell from 65 percent approval ratings to 34 percent; he subsequently became the only GOP incumbent that could not ride Trump's coattails.

A Fusion Movement in the South: The Moral Monday/Forward Together Movement Cont.

In 2014, the Moral Monday Movement gathered an estimated 80,000 for the Moral March on February 14. In 2015, the 4th Circuit Court of Appeals struck down what they termed the state's "racial gerrymander." The next year, movement attorneys defeated the 2013 voter suppression bill.

In 2015, Rev. Barber and others from the Moral Monday Movement created Repairers of the Breach, dedicated to a moral agenda rooted in moral and constitutional values. On September 12, 2016, activists from Moral Monday and Repairers of the Breach, the Kairos Center for Religions, Rights and Social Justice, labor organizers from Fight for $15, faith leaders like Sister Simone Campbell and Nuns on the Bus, and religious and political groups across the nation organized "A Moral Day of Action" with simultaneous protests at thirty state capitols. They delivered the "Higher Ground Moral Declaration" to their respective state elected officials. In 2016, Repairers of the Breach made a commitment to revive the Poor People's Campaign with the Kairos Center and hundreds of churches and grassroots organizations across the country.

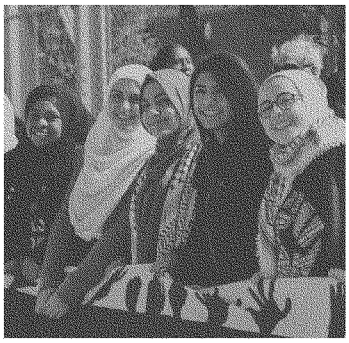
A Time of Crisis and Opportunity: The Kairos Center and Poverty Initiative

Kairos: The Center for Religions, Rights and Social Justice was launched in 2013 at Union Theological Seminary in New York City. The word "Kairos" describes a break in time: a moment when opportunities arise to dramatically change society and move it in a new direction. A kairos moment is often a time of crisis, but also transformation. True to its name, the Kairos Center is committed to continuing a long history of social movements, grassroots organizing and religious and political education to strengthen transformative movements for social change.

The cornerstone program of the Kairos Center is the Poverty Initiative, which, over the course of a decade, has established a wide and deep network of more than 1000 community and religious leaders, representing more than 350 organizations and congregations spanning 30 states and 17 countries. This multiracial and diverse network is on the frontlines of the struggles for water, housing, welfare, health care, education, farmworkers and food justice, living wages, criminal justice reform, immigrant rights, an end to war and more. Many of the leaders in the Kairos Center's network have roots in much earlier struggles for justice, including: the National Union of the Homeless, the National Welfare Rights Organization, the Anti-war and Peace movements, and the Civil Rights and Black Freedom struggles, among others.

Through strategic dialogues, organizing tours, grassroots exchanges, public events and truth commissions, the Kairos Center has been able to expand and deepen this network over the past five years. This includes connecting with the Moral Mondays/Forward Together leadership and the Repairers of the Breach. In 2016, the Kairos Center's co-director, Rev. Dr. Liz Theoharis joined a 30-state "Moral Revival" tour with Rev. Dr. Barber, Rev. Dr. Traci Blackmon, Sister Simone Campbell and Rev. Dr. James Forbes. This tour brought together clergy and community leaders, Fight for $15 Fast Food workers, and other people of good conscience to raise up fundamental moral values of love, dignity, equality, and democracy to the most pressing issues of our time.

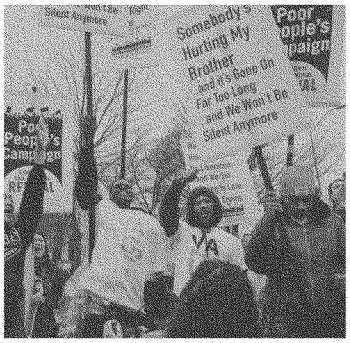
In April 2017, the Kairos Center and Repairers of the Breach organized a gathering at the historic Highlander Center with more than 40 grassroots, community and religious leaders and cultural artists to begin planning towards the 2017-2018 Poor People's Campaign: A National Call for Moral Revival.



DESPITE THE CIVIL RIGHTS ACTS OF 1957, 1960, AND 1964 AND THE VOTING RIGHTS ACT OF 1965, JUSTICE IS NOT A REALITY FOR THE BLACK, MEXICAN-AMERICAN, INDIAN, AND PUERTO RICAN POOR. DISCRIMINATION IN EMPLOYMENT, HOUSING, AND EDUCATION NOT ONLY PERSISTS, BUT IN MANY AREAS IS RAPIDLY INCREASING.

— COMMITTEE OF 100, STATEMENTS OF DEMANDS OF THE RIGHTS OF THE POOR, 1968

SYSTEMIC RACISM



IF YOU BELIEVE IN HEALTH CARE, IF YOU BELIEVE IN LIVING WAGES, IF YOU BELIEVE IN ADDRESSING POVERTY, YOU BETTER MAKE SURE YOU UNDERSTAND VOTER SUPPRESSION HITS BLACK FOLK FIRST, BUT IT UNDERMINES ALL PEOPLE. IT HURTS EVERY ONE OF US."

- REV. DR. WILLIAM J. BARBER, II, 2017

The United States was built upon the structural denial of basic rights to people of color, establishing a system of white supremacy. This system began with the genocide of indigenous people and slavery. It concentrated economic and political power in the hands of a small number of people through the politics of oppression and division. While the laws, institutions, and outcomes associated with systemic racism have changed over the course of history, the inequality produced by it still operates today. Recognizing and engaging in collective resistance against this political order is essential for building power among the poor in America.

Circumstances have also changed since the mid-20th century. By the launch of the Poor People's Campaign in 1968, the Civil Rights Movement had achieved several milestones for racial equality. The Civil Rights Act of 1964 and the Voting Rights Act of 1965 signaled major progress in ending overt racism in public policy. Racist public discourse had also become less socially acceptable.

Yet the rule of white supremacy continued to operate as a form of civic hierarchy, attaching political, economic, and social benefits to racial identity. Political tactics aimed at stirring up White resentment and fear of people of color persisted in the form of code words like "welfare queen" and racial stereotypes like the notorious "Willie Horton" ads of the 1988 presidential campaign. These tactics were used across the political spectrum and further embedded racial inequality in U.S. institutions, cementing racial gaps in a wide range of areas.

After 2016, emboldened White nationalists took to the streets brandishing Nazi symbols and glorifying the pro-slavery Confederacy, signifying a notable rise in the number of U.S.-based hate groups. This resurgence of racist rhetoric and organizing is rooted in the systemic retrenchment of racial disparities across a number of areas in American society over the past 50 years. This inequality operates beyond the individuals and communities most directly impacted to undermine the basic tenets of our democracy and human rights.

This section identifies some of the key indicators of systemic racism in trends and policies relating to voter suppression, immigration, education, health, and criminal justice.

Section I: Voter Suppression

More than 50 years after the Voting Rights Act, people of color still experience a broad range of attacks on their voting rights, including racialized redistricting, voter ID laws, proof of citizenship, voter restriction hurdles, reduction of days for early and absentee voting, felony disenfranchisement, purging of voter rolls, preemption laws, and emergency financial manager appointments. While racialized voter suppression tactics have continually operated in the post-civil rights era, their dramatic rise in the past decade has curtailed the democratic freedoms of millions in the U.S.

Despite an overwhelming lack of evidence, policymakers have successfully pushed the myth of widespread voter fraud into political discourse. In the 21st century, voter suppression laws have become an increasingly popular strategy for restricting voting blocs that feature large numbers of voters of color and the poor, creating barriers to voting along race and class lines.

According to the Electoral Integrity Project, partisan redistricting and gerrymandering were the greatest threat to fair elections in the United States in 2016. In May 2017, the U.S. Supreme Court ruled on the racially discriminatory intent of voter suppression laws, refusing to revive a North Carolina election law that the Fourth Circuit Court of Appeals had found to "target African Americans with almost surgical precision." The court found that the following parts of the North Carolina law disproportionately affected Black people: shortening early voting from 17 days to 10 days; voter ID requirements; elimination of same-day registration and preregistration of some teenagers; and a ban on counting votes cast in the wrong precinct. On January 9, 2018, a federal court ordered North Carolina to redraw its districts on the grounds that they demonstrated partisan bias.

Recent court battles over district lines in Native American communities further highlight the process of racialized voter suppression strategies. At least 17 states in 2016 have seen cases brought to litigation or tribal diplomacy involving voter suppression that has targeted Native American and/or Alaskan Native voters. In some instances, Native American voters have had to travel an average of two hours to submit a ballot without access to reliable public transportation.

In total, the Brennan Center for Justice has reported that 23 states adopted various forms of voter suppression laws since 2010, including 13 with more restrictive voter ID laws (6 with strict photo ID requirements), 11 with laws making it harder to register, 6 with reduced early voting days and hours, and 3 that made it harder to restore voting rights for people with past criminal convictions. Between 2001 and 2012, 910 restrictive voter ID bills were introduced in state legislatures. Then, in the 2013 *Shelby County v. Holder* case, the Supreme Court struck down key provisions of the Voting Rights Act that had required federal preclearance for certain jurisdictions.

Miss Rosanell Eaton: A Lifelong Fight for the Right to Vote

In 1942, Miss Rosanell Eaton registered to vote at the age of 18 in North Carolina. She approached the Franklin County Courthouse on a mule and was asked by a panel of three White men to stand up straight and repeat the Preamble of the Constitution. After she passed the literacy test, she became one of the few Black people to be registered to vote in the era of Jim Crow. A lifelong voting rights activist, she registered more than 4,000 people to vote in North Carolina. And then in 2013, after 70 years of voting and because her name on her voter registration card did not match her driver's license, she lost her ability to vote. She pressed on, making nearly a dozen trips to various state agencies and became one of the key plaintiffs in the case against the North Carolina voting rights restrictions. As she said at a rally in 2015, "Here I am at 92 years old doing the same battling. I have registered over 4,000 citizens in the state and am at it again, alongside Republicans' efforts to eliminate and cut early voting and to outlaw Sunday's voting, alongside the effort to keep college students from voting by inflicting a heavy financial penalty on their parents if they attempt to vote away from home…At the age of 92, I am fed up and fired up!"

All of this is consistent with a 2015 national study which found that states with a high turnout of voters of color in the previous presidential election were on average expected to see more than three additional restrictive proposals every two years. Such laws can have significant effects on voter turnout. A University of California San Diego study that looked at the most common voter

suppression tactic—voter ID laws—found that they doubled the turnout gap between Whites and Latinx people in general elections, and nearly doubled the White-Black turnout gap in primary elections.

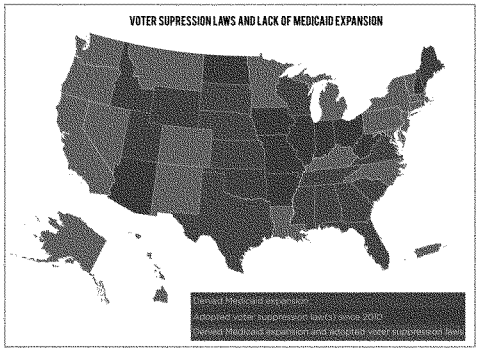
By 2016, 14 states had new voting restrictions in place for the first time in a presidential election: Alabama, Arizona, Indiana, Kansas, Mississippi, Nebraska, New Hampshire, Ohio, Rhode Island, South Carolina, Tennessee, Texas, Virginia, and Wisconsin. These steps disproportionately target low-income residents and neighborhoods of color. When including felony voter disenfranchisement, eight out of the ten poorest states have enacted voter suppression laws, or only recently saw such laws overturned in federal court.

Since 1968, the number of disenfranchised voters has tripled, from 2 million to 6.1 million Americans in 2016, including one in thirteen Black adults. In four states (Florida, Kentucky, Virginia, and Tennessee), more than one in five Black adults cannot vote. Nationally, 13 percent of all Black men have been denied the right to vote. As the Center for American Progress reports, the political barriers that previously incarcerated Black men and women face go hand in hand with barriers to employment, housing, public assistance and education.

The map in Figure 1.1 below reveals how voter suppression at the state level is often accompanied by economic suppression. Thirteen states that passed voter suppression laws also opted not to accept expanded Medicaid benefits offered under the Affordable Care Act, denying much-needed support to more than a million people of color.

Caitlin Swain, a civil rights attorney who challenged the North Carolina voter suppression laws, has noted that, "The same states that have the most voter suppression efforts also host the greatest denial of healthcare, denial of living wages, the highest rates of incarceration and disproportionate imprisonment of people of color, and the highest rates of child poverty. Affordable housing, disability benefits, medical care, income and living wages, protections against environmental racism, and the divestment of long-term wealth in our communities foundationally depend on the right to a true political voice."

Figure 1.1



Sources: Repairers of the Breach, based on data from the Brennan Center for Justice and the Kaiser Family Foundation.

The imposition of "emergency financial managers" on cities in dire fiscal straits also makes clear this relationship between voter suppression on the one hand and policies with heightened impact on the poor on the other. In Michigan, under personal appointment by the governor, emergency managers have sweeping powers, including the authority to dismiss elected officials, scrap labor contracts, sell off public assets, and impose new taxes, yet they are not accountable to voters.

According to Michigan Welfare Rights Organization's Bill Wylie-Kellerman, who faced trial for protesting water shut-offs as one of the Homrich 9, "Every Black city in the state of Michigan has been under non-elected governments where an emergency manager appointed by the Governor has all the powers of the government in one person: [they] can rewrite laws, repeal laws, sell assets, rewrite the city charter, privatize departments, break union contracts... Three-quarters of the Black elected officials in Michigan have been replaced by emergency managers." This means that more than half (51 percent) of the state's Black residents have fallen under the authority of a non-elected official, alongside 16.6 percent of Latinx during 2008–2013, compared to 2.4 percent of the state's White population. Flint was under emergency management when the city decided to switch its water source from the Detroit water system to the Flint River, a move that poisoned the city's population of almost 99,000 people, approximately 54 percent Black and 40 percent White.

Another two dozen state governments have suppressed democratic participation through preemption laws that remove the power of local elected officials. These laws can transfer power from officials representing Black and Brown voters to a majority White state electorate, to the detriment of broader numbers of the poor. Local ordinances such as nondiscrimination laws, guaranteed paid sick days, and nutritional restrictions have been struck down across the country.

Currently, 25 states have laws that preempt cities from passing their own minimum wage laws, many in response to successful minimum wage campaigns.

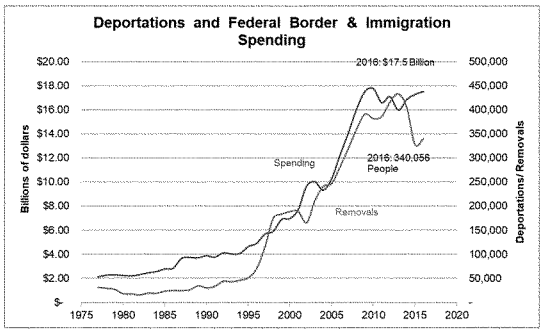
Section II: Immigration

The current U.S. administration has escalated racist, anti-immigrant policies by stripping protections for immigrants brought into this country as children, repeatedly attempting to ban immigration from Muslim countries, proposing a massive southern border wall, stepping up deportation raids in workplaces and other spaces frequented by Latinx people, and reducing admissions for individuals who had previously received refugee status.

And yet the systemic racism that permeates our immigration policies is not new. Since 1968, there has been a steady increase in federal spending aimed at keeping immigrants out of the country, the bulk of it focused on the U.S.-Mexico border. This has coincided with a dramatic increase in the numbers of deportations since 1996, totaling about six million.

As Figure 1.2 shows, in 1976, the federal government spent $2 billion on border control and immigration enforcement (in today's dollars) and deported or removed 31,000 people. By 2016, such spending had risen to almost nine times that much, with about 11 times as many deportations. In 2016, 340,000 immigrants were removed or deported. Meanwhile, the number of border patrol agents grew to 19,437 by 2017, nearly five times as many as in 1992.

Figure 1.2



Sources: Office of Management and Budget; U.S. Department of Homeland Security. Deportations are the compulsory movement of immigrants out of the United States based on an order of removal.

Immigration detentions in prisons and jails have also risen dramatically: from 1993 to 2013, immigration detentions increased five-fold from about 85,000 to about 441,000 per year. These detention centers have increasingly become sites of sexual and physical abuse: 11,379 complaints alleging sexual and/or physical abuse were filed between 2010 and 2016 with 1,016 instances of sexual abuse. More complaints were submitted against Immigration and Customs Enforcement (ICE) than any other Department of Homeland Security agency. LGBT immigrants are 15 times more likely than other detainees to experience sexual assault in confinement, and face disproportionately high rates of discretionary detainment by ICE officials that override protocol or policy recommendation. In El Paso, Texas, this discretion is also taking form in a new practice of separating children from their family members and holding them in "child care centers," even though children cannot legally be kept in detention.

Migrant deaths have increased under border enhancement laws, as individuals are purposefully directed towards more dangerous migration corridors. And as the number of states implementing immigration laws has increased in the past decade, research has found that incidences of physical and verbal abuse by enforcement officers have risen as well.

Beyond Immigrant Rights: The Border Network for Human Rights

The Border Network for Human Rights (BNHR) has been organizing in *colonias* along the U.S.-Mexico border for nearly twenty years. With a membership of more than 4,000 people, including over 700 families in West Texas and New Mexico, BNHR has established deep relationships across multiple border communities, including with local border enforcement. Out of this long engagement, families and loved ones are now able to meet with each other for a few short minutes on the U.S.-Mexico border in the Rio Grande river. This recognition of their humanity is one step towards BNHR's broader vision of human rights. As Executive Director Fernando Garcia explains, "We are not only an immigrant rights organization, we are a human rights organization that is fighting to change society for everybody."

"Throughout the 20th and 21st century, but specifically since the 1970s, public discourse has framed the U.S.-Mexico border as a place of lawlessness, in comparison to an apparently orderly U.S. interior," Garcia explains. "When the border is portrayed as the opposite of lawful, it becomes especially criminal. This has justified the building of border fences, border walls, the posting of thousands of agents, and the increased number of weapons and arms at the U.S.-Mexico border....[but] over time, we have seen an expanded militarization into the United States. We saw the militarization of police departments in the interior. We saw that they learned out of the border experience how to militarize a police department and give them the tools to repress and persecute people in the interior of the United States...We know that we need to take up the decriminalization of immigrants and poor communities. We need to demilitarize our communities. And we need a democratic process that is accountable to our communities. None of these are unique to border communities. It is what we are all fighting for."

Meanwhile, child poverty rates among immigrants doubled from 1970 to 2000, leaving 21.6 percent of immigrant children impoverished. Researchers have found that the impact of immigration enforcement measures affects low-income children, leading to greater difficulty in affording basic expenses, paying rent, or paying for utilities. Children of immigrants fare worse in terms of health than children in households headed by U.S. citizens and children with at least one unauthorized

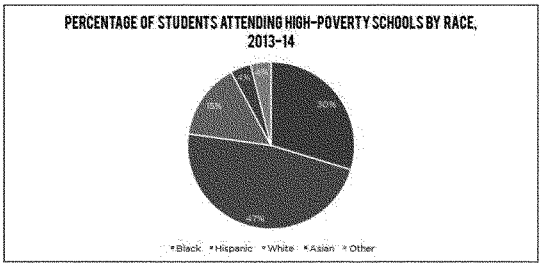
parent suffer from increased rates of psychological distress, while having less access to public health programs.

Foreign-born immigrant workers experience disproportionately high rates of dangerous working conditions, wage violations, and sexual harassment. These figures are often worse for women. A 2010 survey of 150 farmworker women in California—an industry predominantly employing foreign-born immigrant workers—found that 80 percent had experienced some form of sexual harassment, over twice the national rate. Exploitative working conditions are largely caused by the structure of low-wage industries that immigrant workers are concentrated in, such as the prevalence of contractors, exemptions to minimum wage laws, unequal status for migrant workers, underfunded government enforcement, and low union membership. These industry characteristics have historically been enforced through racist American labor and industry legislation, with negative impacts for all low-wage workers in the U.S.

Section III: Education

Educational divides are another factor in race-based gaps and crucial to understanding the connection between systemic racism and poverty. From 2000 to 2014, the U.S. Government Accountability Office found that the percentage of K-12 public schools where 75 to 100 percent of the students were Black or Hispanic and eligible for free or reduced-price lunch (a commonly used indicator of poverty) increased from 9 to 16 percent. Of all students attending high-poverty schools in 2013, the overwhelming majority were students of color. Compounding the challenges facing these schools, the analysis found that Latinx students tend to be "triple segregated"—not only by race and class, but also by language access. These schools disproportionately held students back in 9th grade and offered disproportionately fewer college preparatory, science, and math courses.

Figure 1.3

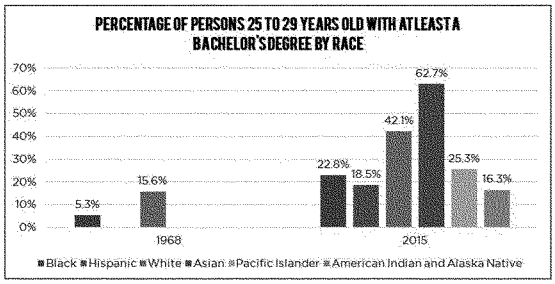


Source: U.S. Government Accountability Office.

Since the original Poor People's Campaign, an educational achievement gap has persisted between White and Black students, across age categories. While this gap has narrowed over time, it still exists. A similar gap exists between White students and Latinx students.

With the introduction of "zero-tolerance policies" in schools, out of school suspensions have risen by 40 percent and these disproportionately target Black and other disempowered youth. Black girls are six times more likely than White girls to receive suspensions. Black boys are three times more likely to receive suspensions than White boys. Black youth are 500 percent more likely and Latinx youth are 65 percent more likely to be detained or committed than their White counterparts, despite the recent rise of alternatives to juvenile detention.

Figure 1.4



Source: National Center for Education Statistics. Data for Whites in 2015 is for non-Hispanic Whites only. Data for Hispanics, Asians, Pacific Islanders, American Indian and Alaska Natives not available for 1968.

For higher education, figure 1.4 shows that in 1968, White people in the 25-29 year age group were nearly three times as likely as Black people to have completed four or more years of college. By 2015, the ratio had narrowed, but White people were still almost twice as likely as Black people and Pacific Islanders and almost three times as likely as Latinx and Native Americans to have this level of education.

One major barrier to higher education for many poor people of color is the rising cost. According to the National Center for Education Statistics, the price tag for attending a four-year college in 2015 (including tuition, room and board, and fees) was $25,409—2.5 times as much as in 1968, adjusted for inflation. These costs have outpaced real median household income, requiring students and their families to spend a higher proportion of their budgets towards the rising costs of education. According to a 2018 study from the Levy Institute, in 1990, average tuition and fees totaled 6.3 percent of median household income and 17.6 percent when including room and board. By 2014,

average tuition and fees had more than doubled, totaling 15.9 percent of median household income; with room and board, costs rose to 34.7 percent.

While U.S. colleges and universities have historically reproduced inequality in various forms, the rapid growth of high-cost, high-risk, for-profit colleges is particularly problematic. Black people, women, and especially low-income women of color are disproportionately enrolled in for-profit institutions: among for-profit college students, 64 percent are women, 52 percent are people of color, 50 percent have dependent children, 51 percent work full-time while enrolled, and 59 percent are unlikely to receive tuition support from their family. At the same time, less expensive and higher quality institutions are struggling after decades of declining public investment, most notably the Historically Black Colleges and Universities (HBCUs.)

To meet these costs, there has been a steep rise in student debt, which now affects about 44 million Americans. As of March 2017, aggregate student loan debt was $1.34 trillion in the United States. As the January 2018 Levy Institute report concludes, "Even below-average student loan balances can be problematic for low-income borrowers choosing between making on-time payments and other financial demands."

Black families, on average, carry more loan debt than White families: 81 percent of Black people attending public universities and 86 percent attending private universities take on debt, compared to 63 percent and 72 percent for White people. Among Latinx populations, 87 percent attending private universities also take on debt.

Figure 1.5

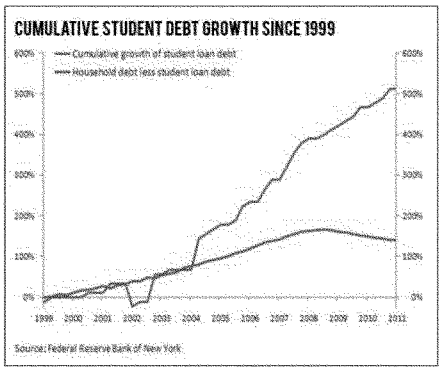
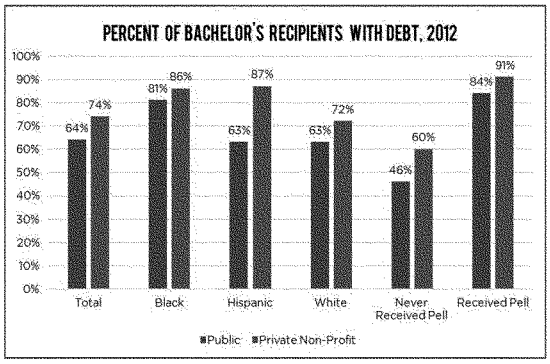


Figure 1.6



Source: Demos, The Debt Divide

Many of these costs and debt burdens are carried by women, especially women of color, who are also the most likely students to be raising children while pursuing a post-secondary degree. Nearly half - 47 percent - of Black women in college have dependent children, followed by approximately two in five Native American or Alaska Native women (41 percent) and Hawaiian or Pacific Islander women (39 percent). Among single students with children, 88 percent are poor or low-income, and the average debt of student mothers one year after graduation is $3,800 higher than women without children and almost $5,000 higher than men without children.

Section IV: Housing Discrimination and Segregation

With the passage of the Fair Housing Act of 1968, the era of legalized housing discrimination was brought to an end. The law made it illegal to avoid renting or selling to people because of their race, among other categories. Despite the ban on housing discrimination, racism in the housing market continued to deliver unfair outcomes to people of color, especially poor people of color. This is in part due to the rising costs of housing. Over the past 30 years, rents have gone up faster than income in nearly every urban area in the country, while the median cost of a home has ballooned from $23,500 in 1968 to $323,000 in 2018. In this context, households and individuals who also face discriminatory hiring, wage disparities and debt burdens are at a severe disadvantage.

Even among those households that can afford such housing costs, discrimination in the market continues to reduce access to affordable housing. An audit by the Department of Housing and Urban Development (HUD) in 1977 found that Black people had a 27 percent chance of being discriminated against on a visit to see a rental apartment and 15 percent on a visit to see a home for sale. Through subsequent audits in 1989, 2000, and 2012 the Department found that discrimination had greatly decreased against Black people since the 1970s, but still persisted. For example, Black homebuyers who contacted agents about homes were able to see about 18 percent fewer homes in 2012 than equally qualified White people.

After 1968, "White flight" from cities to the suburbs, combined with increasing rates of economic segregation within inner cities, resulted in continued segregation. While segregation has marginally eased in recent years, the process of gentrification has taken hold. Displacement has driven many of the same poor Black and Brown minority communities that settled in the urban ghettos out of their neighborhoods. A range of studies have found that "in-movers to gentrifying neighborhoods are wealthier, Whiter and of higher educational attainment and out-movers are more likely to be renters, poorer, and people of color." Those that remain in gentrifying areas, typically located in urban cities that may have once boasted numerous housing options for low- and moderate-income households, are confronted with increasing housing costs geared toward higher-income buyers and renters. Housing prices can climb even higher if the demand for housing exceeds the available supply. Either way, those with incomes less able to accommodate growing housing costs are finding it increasingly difficult to secure housing.

In some rural communities in the South, basic housing infrastructure has not been updated in years, sometimes decades. As Catherine Flowers, an Air Force veteran and native of Lowndes County, Alabama, describes: "It's shocking to see that there hasn't been a big investment in terms of housing since the 1960s and 1970s, maybe part of the early 1980s. Then it was through programs like the Farmers Home Administration, a rural housing program that gave people resources to develop housing. Instead what I've found is that in 2000, the USDA was sending money back to Washington. It wasn't spending its resources in those communities for infrastructure."

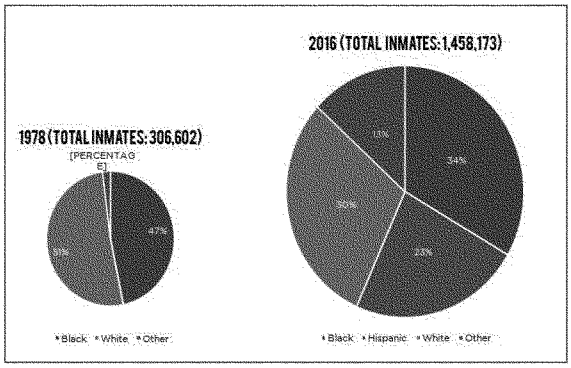
Section V: Criminal Justice System

Over the past 50 years, the criminal justice system has become a critical institutional anchor of systemic racism. "Tough on crime" politics has led to skyrocketing annual federal discretionary spending on prisons—$7.5 billion in 2017, a tenfold increase over 1976—and increased policing of poor communities to fill them. The 1970s marked the beginning of an increase in longer prison terms and a reduction in early releases. Since 1968, the number of sentenced inmates in U.S. state and federal prison of all races grew from 187,914 in 1968 to 1,458,000 in 2016. This is despite the fact that, in recent years, campaigns against mass incarceration have effectively reduced the numbers of inmates from big cities. Today, the United States has the highest incarceration rate in the world, almost 5 times the Organization for Economic Co-operation and Development (OECD) average.

In 1978 (the first year for which racial demographics are available) people of color made up less than half of the prison population. By 2016, they comprised 66 percent, a fivefold increase in total numbers. According to the Urban Institute, increasingly long sentences, mandatory minimums, and three-strikes policies have all had a disproportionate impact on people of color. Black men born in 2001 are almost six times more likely to be incarcerated in their lifetimes as White men born in the same year, while Native American women are currently admitted to prison at six times the rate of White women.

Figure 1.7

U.S. federal and state prison population by race



Source: U.S. Department of Justice. The 2016 data were collected for White (non-Hispanic), Black (non-Hispanic), and Hispanic. "Other" includes American Indians and Alaska Natives; Asians, Native Hawaiians, and Other Pacific Islanders; and persons of two or more races. The 1978 data were collected for: White, Black, and "other," which included American Indians, Alaskan Natives, Asians, and Pacific Islanders). Hispanic ethnicity of inmates was not determined in 1978, a year in which people of Spanish descent made up 5 percent of the total population.

Women held in local jails are the fastest-growing segment of incarcerated people in the United States, and the majority of them are Black or Latinx, according to a 2017 study by the MacArthur Foundation and the Vera Institute of Justice. From 1970 to 2014, the total female jail population increased fourteen-fold from under 8,000 to nearly 110,000. More than 80 percent of these women were imprisoned for non-violent offenses.

Rural and Urban Incarceration

Since 1970 there has been a shift in rural and urban incarceration trends. As reported by the Vera Institute in 2017, counties with fewer than 250,000 people drove jail growth between 1970 and 2013. This may be due to a national increase in pretrial detention that, especially in the past decade, has been concentrated in rural counties: while national pretrial detention rates have increased by 68 percent, the rate for rural counties increased by 436 percent during this same period.

These trends may reflect the limited resources in rural counties, contributing to the financial incentives to grow jails. According to the Vera Institute, "Demands from other systems — overcrowded federal and state prison systems, neighboring county jails, and the federal immigration detention system — have propelled an ever-expanding need for jail beds, providing counties with additional income streams through per-diem payments for each person they board in from other systems. Such payments...can add up to substantial revenue for cash-strapped rural jurisdictions, because many out-of-county boarders often stay for long periods of time. This is especially true for people who are serving multi-year state sentences, or undocumented immigrants who are fighting deportation orders and awaiting formal adjudication in an overworked and under-resourced immigration court system."

Racial sentencing disparities worsen the impact of the criminal justice system on poor communities of color. According to the NAACP, for example, while Black and White people use drugs at similar rates, the imprisonment rate of Black people for drug charges is almost six times that of White people. And even though Black people represent just 12.5 percent of illicit drug users, they make up nearly 30 percent of those arrested for drug offenses. Similarly, Black men receive sentences 19 percent longer than White men for the same crimes, according to the United States Sentencing Commission, and are disproportionately targeted for capital punishment.

Returning citizens face major difficulties upon their release from prison, especially as some states ban those with felony convictions from access to social assistance, voting rights, and work licenses. Barriers to reintegration contribute to social and economic marginalization of people who were formerly incarcerated, their families, and their communities. The requirement to state felony convictions on job applications also present a barrier to reintegration into the economy. According to Pew, the typical former inmate earns $179,000 less by age 48 than they would have earned if they had never been incarcerated. Incarceration depresses the wages of Black men 9 percent, of Latinx men 6 percent, and of White men 2 percent.

Durell Gilmore, an organizer with Sunflower Community Action in Kansas, testified to these conditions:

"I am from Kansas, where they spend $7 out of every $10 on juvenile services resources to incarcerate young people, with clear racial bias in sentencing and detainment. When I was 20 years old, I was handed down a heavy sentence for my first criminal offense, with the threat of spending 7 years in prison. I pleaded out to a severe felony charge and three years on probation. This has haunted me. It has made it difficult to work and live and be the kind of father I desperately want to be to my children.

My probation officer told me that instead of going to college full time, it was a condition of my probation to work 40 hours a week. So now I work more than one job and dropped out of college."

Durell's cousin, Reggie, is serving out a 40-year sentence. His White male cohorts were given sentences of five years and are awaiting release after serving two years of that sentence. After being beaten, shot in the back and left to bleed out on the ground, Reggie was kicked repeatedly by Wichita police officers until his lungs collapsed. He spent two years in solitary confinement. Durell describes him as "a mere shadow of his former self. There is no justice in this criminal system."

From Deindustrialization to Mass Incarceration in Los Angeles

Luis Rodriguez has been educating and working in South Central and East Los Angeles with poor and incarcerated youth for the past 50 years. He grew up amid the Watts Uprising in 1965 and joined his first gang at the age of 11. He used his position as the Poet Laureate of L.A. to raise awareness around incarceration, poverty, and racism. He is also the co-founder of the Tia Chucha's Cultural Center in the San Fernando Valley, the only cultural hub for the poor, especially poor youth, in the region.

Luis describes the widespread impact of systemic racism in L.A.: "[Los Angeles] brought a lot of poor people, particularly in South Central L.A. and East L.A., together. These areas were created by Black and Brown labor brought in to work in the [steel mills, garment factories, auto plants, aerospace and defense] industries. Restrictive covenants in the 1930s and 1940s kept us in our own barrios. They kept the poor impoverished. Watts was born out of this, and most of South Central, most of Boyle Heights, most of East L.A. was created that way. Then deindustrialization hit LA very hard-- it lost 300 factories by 1984--and the most impacted communities were ours: South Central, Watts, East L.A. At the same time, the crack epidemic began. L.A. soon became the gang capital of the world. From 1980 to 2000, up to 15,000 young people were killed in the streets of L.A. due to the so-called gang wars and drug wars -- Bloods, Crips, the large Mexican gangs that are now known around the country — were actually created by a system of poverty. Mass incarceration quickly followed. Today, California has the largest prison system in the country, upwards of 170,000 people are imprisoned and 75-80 percent are Black and Brown, even though Black and Brown people only make up 40 percent of the population."

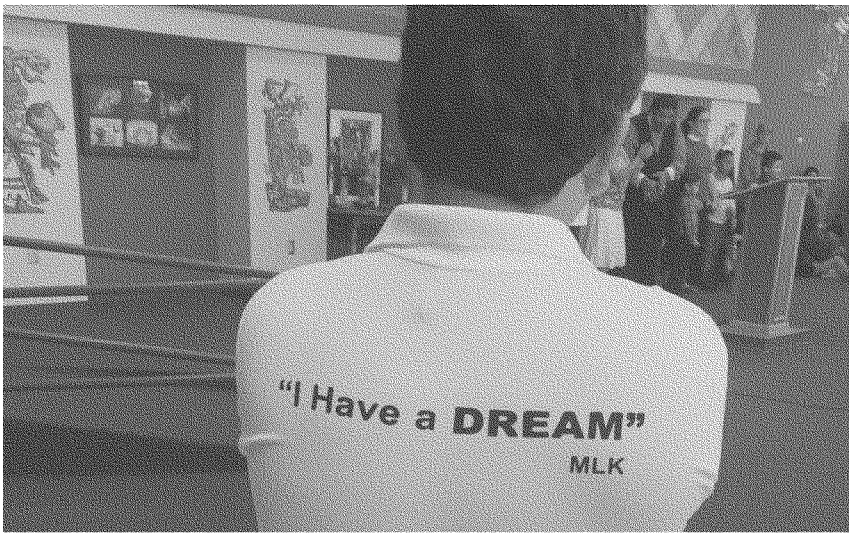
It is important to note also that the policing of poor communities and communities of color continues to be fatal, as local police departments have become militarized and equipped with weapons from our wars. 50 years after the "Orangeburg Massacre," where police officers who killed three Black students were acquitted, young Black males remain nine times more likely to be killed by police officers than other Americans. Likewise, rates of police killings for Native American and Latinx men are disproportionately higher relative to White men. The shooters in these killings have rarely been convicted.

Revamped Surveillance and Social Control

Surveillance and social control has also evolved since the 1960s and 1970s. The COINTELPRO FBI program, which included the wiretapping of Rev. Dr. Martin Luther King's phones, monitored the lives of thousands and in many cases attempted to destroy organizations on national security grounds. While operations under the official COINTELPRO program ended in 1971, its tactics have evolved through various federal, state, and local initiatives. For example, the New York Police Department has engaged in a process of monitoring Muslim communities, religious institutions, student groups, poor people's organizations, and others since at least 2002.

In the 1990s, Broken Windows policing gained prominence, arguing that minor crimes were cause for interdiction and arrest, allegedly in order to prevent major incidents. However, the programs served as a thinly veiled pretext for harassing and imprisoning members of Black and Brown communities. For instance, in 2013, a Federal judge found that New York's police department unconstitutionally targeted communities of color through its "Stop and Frisk" program. At the height of the program, in 2011, police made 685,724 stops, of which 53 percent were of Black people and 34 percent were of Latinx people.

Surveillance of Muslim, immigrant, low-income, and Black and Brown communities has expanded with the use of new technologies. In 2003, the Department of Homeland Security's Special Registration program required over 80,000 Muslim men to present themselves for fingerprinting, eye scans, and questioning. The 2001 U.S.A. PATRIOT Act clause against the "material support" of terrorism has been used to selectively criminalize actions like donating money to specific charities, attending events, and otherwise lawful activities. Meanwhile, the enlistment of state and local policing agencies in immigration enforcement amid stepped up deportations further forced immigrants underground.



THE REAL VIOLENCE IN AMERICA IS STARVATION, UNEMPLOYMENT, SLUM HOUSING AND POOR EDUCATION.

— CORETTA SCOTT KING, 1968

POVERTY & INEQUALITY

IN THE ECONOMY OF THE 21ST CENTURY, ONLY A TINY PERCENTAGE OF THE POPULATION IS IMMUNE FROM THE POSSIBILITY THAT THEY COULD FALL INTO POVERTY AS A RESULT OF BAD BREAKS BEYOND THEIR OWN CONTROL. THE AMERICAN DREAM IS QUICKLY BECOMING THE AMERICAN ILLUSION.

- PHILIP ALSTON, U.N. SPECIAL RAPPORTEUR ON EXTREME POVERTY AND HUMAN RIGHTS, 2017

At the time of the 1968 Poor People's Campaign, many in the U.S. were still experiencing the post-war economic boom that, coupled with a wave of social movement organizing, resulted in real gains in wages and living conditions. As a result of popular struggle and especially the Civil Rights Movement, the Civil Rights Act, Voting Rights Act, Immigration and Nationality Act, and the war on poverty programs, public attention and resources were directed towards civil rights, education, employment, health care, social security, and food security.

Although racial, gender, gender identity, sexual orientation, and geographic disparities remained, these social programs—and the people, movements and organizations that fought for them—ensured that the gains from an expanding economy were more widely distributed than they otherwise would have been. The systems of oppression created by white supremacy, patriarchy, and other structures that suppressed so many had not yet been dismantled, but the days of Jim Crow seemed behind and hard-won gains in the arenas of civil rights and economic equality poised to continue.

However, since that time there has been a reversal of many of those gains. Beginning in the 1970s, wages for the bottom 80 percent have largely remained stagnant, while the costs of basic needs like housing, health care, food, and gas have risen. Domestic labor markets entered into a global "race to the bottom." The quantity and quality of jobs in this country began a steady decline. Deindustrialization spread, most deeply hitting the Midwest and parts of the South and West coast that were industrial centers of the economy in earlier decades.

During the next 30 years, the U.S. economy became increasingly polarized. We have witnessed the historic destruction of the former middle class. Public goods like education, health care, and water were privatized. Even as assistance programs like the Children's Health Insurance Program and the Earned Income Tax Credit were added to the safety net, the critical cash assistance program was effectively dismantled when it became block granted to the states by so-called "welfare reform" legislation in the mid-1990s. Attacks on the safety net were often achieved using racist appeals, by both Democratic and Republican parties alike. Financial deregulation allowed banks to engage in increasingly speculative investments and led to the housing bubble and financial crisis of 2007-2008.

In the "Great Recession" years that followed, there were sustained attacks on the New Deal and Great Society programs and an ideological shift away from government accountability for the general welfare. Walmart emerged as the single largest employer in the country and emblematic of the widening inequality: its shelves are stocked with goods produced by exploited workers in poor countries, its U.S. workers represent the single largest group of food stamp recipients, and the six members of the Walton family own as much wealth as nearly 43 percent of American families.

During these years, racial wealth gaps have widened and patterns of gentrification pushed the poor, especially poor people of color in urban centers, further away from jobs, transportation, education and other services. The percentage of people living in deep or extreme poverty has increased since 1975. By 2016, 46 percent of people living in poverty had incomes less than half of the poverty line.

Women, children, and LGBTQ populations continued to fall into poverty. Rural economies were left behind.

This chapter will take a closer look at these conditions and at how poverty has changed over the last 50 years.

Section I: What Does it Mean to Be Poor In the United States?

The 1968 Poor People's Campaign was launched four years after President Lyndon Johnson declared a "war on poverty." 50 years later, there is good and bad news in the struggle to eradicate poverty.

The good news is that federal "social safety net" programs have proven effective in reducing poverty overall. In 2012, for instance, government programs providing nutrition and early education assistance, health coverage, access to affordable housing, employment and income supports, the child support program, and refundable tax credits cut the poverty rate to half of what it would have been without such programs. In fact, the effectiveness of the social safety net in 2012 was 10 times that of what it was in 1967.

The bad news is that poverty still plagues the multiracial population of poor people. The official poverty rate for all Americans was 19 percent in 1964 and 12.7 percent in 2016, but nearly all of that reduction came in the years following the introduction of War on Poverty programs. Compared to 1968, today's official poverty rate is virtually unchanged. And because our population has grown by more than 122 million people in these years, this means that there are 15 million more poor people today than there were 50 years ago. Further, "deep poverty," defined as having income below half the federal poverty level, has risen from 3.7 percent in 1975 (earliest available) to 5.8 percent in 2016.

Measuring Poverty

The U.S. Census Bureau uses two primary means of measuring poverty: the Official Poverty Measure (OPM) and the Supplemental Poverty Measure (SPM). The Official Poverty Measure is an income-based standard that uses the Federal Poverty Line (FPL) to define poverty. The FPL for 2016 quantifies poverty for a single person younger than age 65 as having an annual income of $12,486 or less. For a single person above 65, it is $11,511, and for a household of two adults and two children it is $24,339. By the Official Poverty Measure (OPM), more than 95 million Americans (nearly 30 percent of the total population) are either in poverty or considered "low-income" (living below twice the poverty line). That number rises to 140 million people (43.5 percent) when using the SPM, which takes into account federal assistance resources, such as refundable tax credits, as well as critical out-of-pocket expenses for food, clothing, housing, and utilities. It also takes into account geographic differences in costs of living.

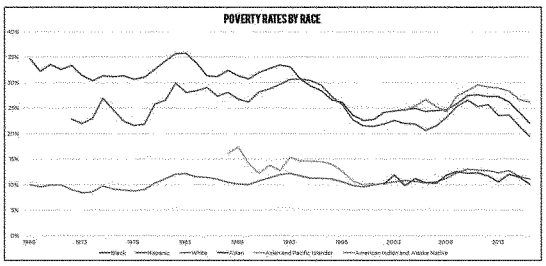
Due to the availability of data, for most of the statistics used in this section, this report uses the OPM. However, where possible, the SPM is used to help illustrate the broader extent of economic hardship people are facing and to show how effective the safety net has been in keeping people from falling below the federal poverty line.

Section II: Who Is Poor in the U.S.?

Poverty touches every demographic of our society. There were 40.6 million poor people in the United States in 2016. White people made up 42.5 percent of the poor (17.2 million). The next two largest groups were Latinx at 27.4 percent (11.1 million) and Black people at 22.7 percent (9.2 million) of those in poverty. Asian Americans made up 4.7 percent (1.9 million) of the nation's poor.

People of color are disproportionately impacted by poverty. In terms of examining poverty rates within racial groups, Native Americans and Alaskan Natives have the highest rate of poverty, at 26.2 percent. Black people have the second highest intraracial poverty rate, at 22 percent. This is followed by Latinx people (19.4 percent), White people (11 percent), and Asian Americans (10.1 percent). For the nation as a whole, the poverty rate using the OPM was 12.7 percent and using the SPM was 14.0 percent.

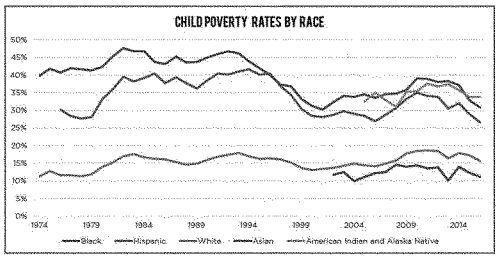
Figure 2.1



Source: U.S. Census Bureau. Data for American Indian and Alaska Native population is from the American Community Survey.

The vast majority of poor people in 2016, almost 62 percent, were adults between the age of 18 and 64. Children below the age of 18 made up 23 percent of the nation's poor in 2016 (or 13.3 million people). Children tend to be disproportionately represented among the poor as compared to adults: one in five children is poor in the U.S. versus one in eight adults. Eighteen percent of all children in the U.S. under the age of 18 are poor and just as many live in food-insecure households. If using the SPM, 15.2 percent of children were poor in 2016.

Figure 2.2



Source: U.S. Census Bureau

According to calculations by the Urban Institute using data derived from the Panel Study on Income Dynamics between 1968 and 2009, almost four in 10 children spend at least one year of their lives in poverty before they turn 18.

The more than 13 million children who spent 2016 in poverty were disproportionately children of color. Analysis from Economic Policy Institute showed that poverty affected 33.8 percent of Native American children, 30.8 percent of Black children, and 26.6 percent of Latinx children in 2016. The poverty rate for White children was 10.8 percent. More than 25 percent of immigrant children experienced poverty in 2016.

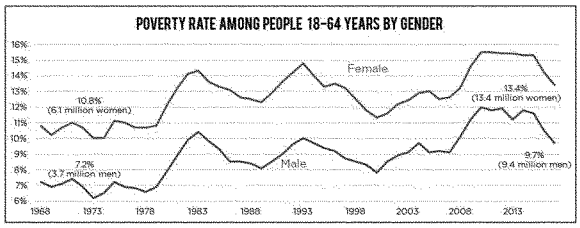
While the SPM for children in poverty in 2016 is 15.2 percent—2.8 percent lower than the OPM—the SPM for children living between 100 to 200 percent of the poverty threshold is 36.7 percent, significantly higher than the OPM of 21 percent. This means that according to the SPM, 51.9 percent of children are poor or low-income.

Poverty rates for women are higher than those for men in all age groups. In 2016, 13.4 percent of women aged 18-64 (representing 13.4 million women) were living below the poverty line, compared to just 9.7 percent of adult men in this age group (9.4 million men). Households led by single women with children in 2016 had a poverty rate of 35.6 percent, according to calculations from the National Women's Law Center, which was more than twice the 17.3 percent rate for households led by single men with children.

Poverty was a particularly acute problem for women of color: the National Women's Law Center determined that 21.4 percent of Black women, 18.7 percent of Latinx women, and 22.8 percent of Native American women were among the poor in 2016. Slightly more than 16 percent of immigrant women lived in poverty. Almost ten percent of White women (9.7 percent) lived in poverty in 2016.

Adult women with disabilities experienced a poverty rate that was more than twice that for adult women without disabilities (30.7 percent versus 12 percent).

Figure 2.3



Source: U.S. Census Bureau

Households led by single mothers comprised almost 30 percent of families in 2016 with incomes below the poverty line for the past twelve months. Poverty rates for families headed by Black women and for families headed by Latinx women were 38.8 percent and 40.8 percent, respectively, in 2016. The poverty rate for families led by Native American women was 42.6 percent. Almost 42 percent of families headed by immigrant women experienced poverty in 2016. Although it was lower compared to that of families led by women of color, the poverty rate in 2016 for families led by White women was 30.2 percent.

Members of the LGBTQ communities are disproportionately represented among the poor as well. Using data from the 2006 to 2010 National Survey of Family Growth, the Williams Institute at the UCLA School of Law calculated that 25.9 percent of bisexual men and 20.5 percent of gay men experienced poverty, compared to 15.3 percent of heterosexual men. Similarly, 29.4 percent of bisexual women and 22.7 percent of gay women lived in poverty, while 21.1 percent of heterosexual women did so.

The National Center for Transgender Equality's 2015 Transgender Survey found that transgender people experience poverty at a rate double than that of the general population, with transgender people of color experiencing even higher rates. Of the survey's respondents, 43 percent of Latinx, 41 percent of Native American, 40 percent of multiracial and 38 percent of Black transgender respondents lived in poverty in 2015. Further, over half of transgender people with disabilities and transgender people living with HIV lived in poverty in 2015.

Areas with concentrated poverty—defined by a high percentage of poor people living within a geographic area, usually 40 percent or more within a given Census tract—pose a unique set of issues, as essential resources such as access to quality healthcare, education, and public amenities are often tied to the wealth of neighborhoods. Overall, American neighborhoods have significantly increased

in economic segregation since 1970, with the number of families living in high-poverty or high-affluent neighborhoods doubling from 15 to 34 percent by 2012. The percentage of White people in poverty living in high-poverty neighborhoods has increased throughout this time, although Black people in poverty are more than twice as likely as their White counterparts to live in high-poverty neighborhoods. While these trends are present across the country, concentrated poverty has particularly increased in the southern region of the United States (Figures 2.4 and 2.5).

Figure 2.4

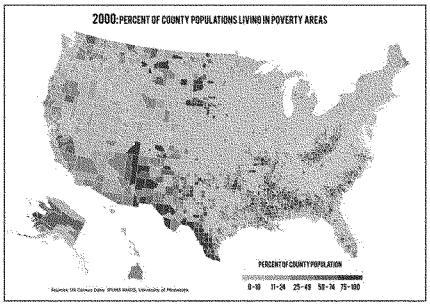
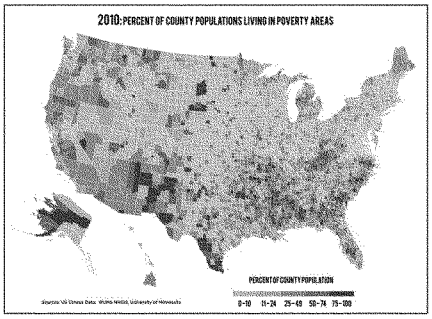


Figure 2.5



Rural poverty is persistently worse than urban poverty in the U.S. In 2015, the rate of poverty in rural areas was 16.7 percent compared to 13 percent in cities and 10.8 percent in suburbs. In the 1980s, unemployment was worse in cities than rural areas. Unemployment has become a greater problem today in rural communities. Rural workers are poorer than urban workers, and nearly one-third of them live in deep poverty. Nearly 20 percent of rural workers live in households earning below 150 percent of the poverty level compared to 13.5 percent of urban workers with the same income levels.

Rural communities also often struggle with a lack of access to technology infrastructure. Among rural residents, 27.4 percent do not have access to 25 Mbps broadband, compared to 0.6 percent of city residents. This disparity is primarily produced by market dynamics, as companies cannot justify building telecommunications infrastructure in low-density areas due to lower profits. Access to digital broadband is also shaped by income, as broadband service in America is relatively more expensive compared to other countries. As a result of these factors, 31.4 percent of households whose annual incomes fall below $50,000 and with children ages 6 to 17 do not have a high-speed internet connection at home. This digital divide puts children at an educational disadvantage, while significantly restricting adults' ability to access essential information, such as job opportunities or social services.

Section III: The Safety Net and Welfare Reform

While spending on federal public programs has grown, between 1970 and 2010 nearly all of the growth in federal social safety net spending came from "social insurance" programs, such as Social Security, Medicare, unemployment insurance, workers' compensation, and disability insurance (see Figure 2.6). Benefits based on recipients' income that are aimed at assisting the poor—otherwise known as "means tested" programs—have grown less rapidly, especially once Medicaid is discounted. This shift has meant that in 2014, a family of four earning $11,925 per year likely received less aid than a family of four earning $47,700.

Programs that had been effective at reducing poverty were scaled back and, as the mechanism of funding changed through issuing block grants to states, fewer resources made their way to poor families. The impact of these changes extended beyond solely welfare recipients. Former beneficiaries of AFDC were pushed into the labor market, forming a section of the working poor. The reshaping of the economy, described in Section IV of this chapter, produced punishing results for this new segment of workers who faced lower unionization rates, low or absent wage growth, and increasingly concentrated political and economic power in the hands of their employers.

The Impact of Workfare and Welfare Reform: Margaret Prescod, Every Mother is a Working Mother Network

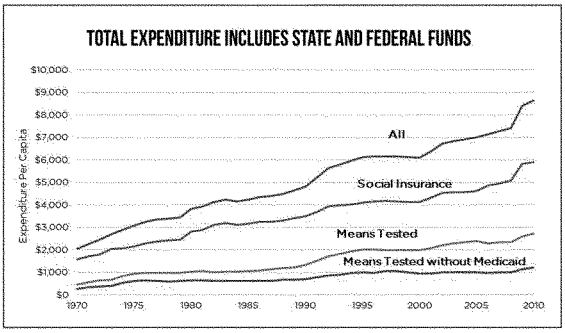
Margaret Prescod has been involved with the National Welfare Rights Organization and state-based welfare rights organizations for the past four decades, including during the debate over workfare programs introduced in the 1990s. As part of Every Mother is a Working Mother Network in California, she continues in the struggle for poor mothers and families.

"Workfare was upsetting on several fronts, but mainly it separated the poverty of children from the poverty of mothers. Since the passage of welfare reform, we've seen a devastation in our communities.....[when] I was working as a young teacher in Brownsville, it was the mothers on welfare who had the time to come down to the school to make sure their children were learning, to make sure there was free breakfast. The image of welfare mothers as lazy scroungers doing nothing all day couldn't be farther from the truth. With welfare reform, these mothers went into workfare and that whole sector of mothers in low-income communities who were in so many ways the glue, fighting for their kids, they were withdrawn from that role....but eliminating the poverty of women is the key to eliminating the poverty of children.

...What increasingly happened [with welfare reform] was that monies that would previously go to mothers on AFDC, and therefore to families headed by single mothers, got sucked into child welfare agencies and states were using those resources for child custody, foster care, and adoption services. Instead of going to support mothers with their housing or other basic needs, children are being taken away and placed in foster care, or are up for adoption, not because they are abused or neglected but because they are poor.

The fact is that mothers on welfare or even single mothers are viewed as outside the sphere of production in the U.S. So you only focus on people who are considered "productive." But studies have shown that there is considerable economic value to unwaged, caregiving work... and when welfare goes up, it pushes up the minimum wage. When welfare is cut, you have all these people who are like free labor that can undermine labor unions. This relationship between our rights as mothers to welfare and the impact on workers at the point of production has not been appreciated."

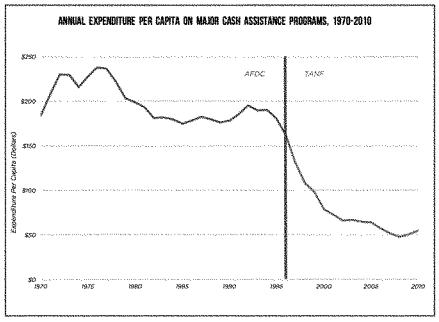
Figure 2.6



Source: Various administrative sources. Originally published by Robert Moffitt in The Great Recession and the Social Safety Net and The Deserving Poor, the Family, and the U.S. Welfare System. Total expenditure includes state and federal funds.

By far the greatest reduction in federal spending for low-income families came with the passage of the Personal Responsibility and Work Opportunity Reconciliation Act in 1996, which eliminated Aid to Families with Dependent Children (AFDC) and replaced it with Temporary Assistance for Needy Families (TANF). TANF drastically reduced resources available to families in poverty and imposed unrealistic work requirements (Figure 12.7). Under Aid to Families with Dependent Children, in 1996, 68 percent of families with children living in poverty were aided by the program, compared with the 23 percent of poor families that TANF reaches today. In all but three states, TANF benefits have declined since 1996 in real value, with monthly benefits in all 50 states and the District of Columbia at or below two-thirds of the federal poverty line.

Figure 2.7



Source: Various administrative sources. Originally published by Robert Moffitt in The Great Recession and the Social Safety Net and The Deserving Poor, the Family, and the U.S. Welfare System.

Women and Children Take the Lead: The National Welfare Rights Organization

The National Welfare Rights Organization was founded in 1966 to organize for adequate income, dignity, justice, and democratic participation. It brought together smaller organizations of welfare recipients and its members were mainly women and their children who were fighting for the right to welfare.

Women from the welfare rights movement took up prominent leadership in the 1968 Campaign, including informing Dr. King and others on critical issues around welfare legislation. Michigan Welfare Rights Organization (MWRO) was one of the founding members of the NWRO and several of its current leaders keep that legacy alive today.

Sylvia Orduño is among a new generation of MWRO activists and describes how welfare reform impacted welfare rights organizing: "In the 1960s and 1970s, recipients receiving public assistance weren't burdened with workfare requirements in order to maintain their benefits. Welfare rights chapters and other grassroots groups were able to get people to do paid work in the community and the office, and to learn how to talk to and mobilize others around their right to a decent quality of life. Today, with federal TANF time limits, funding changes, and program shifts to the states, plus other cuts (many adults are too young for social security benefits and too old or ill for fast-moving assembly line or retail work, which requires long hours on your feet) welfare rights organizing is in crisis...There used to be over 500 welfare rights chapters and affiliated groups. Now, there are less than two dozen."

MWRO continues the fight today for welfare benefits, the right to water and keeping families together.

Three of the most notable federal programs that work well for poor families are the Supplemental Nutrition Assistance Program (SNAP), previously known as "food stamps;" the Earned Income Tax Credit (EITC); and the Child Tax Credit. SNAP remains one of the most effective means-tested government assistance programs that reaches most families experiencing financial hardship. Its benefits also rise to meet difficult financial times. In 2016, SNAP benefitted about 20 million children a month, according to the Center on Budget and Policy Priorities. A recent Urban Institute report found that the anti-poverty effects of SNAP are even higher than previously estimated. By correcting for underreporting of benefits, the Institute found that the program reduced the number of people living in poverty by 17 percent, or 8.4 million, in 2015. Among families with Black children, the reduction was 21 percent.

In 2015, the Earned Income Tax Credit, EITC, effectively lifted about 6.5 million people above the federal poverty line, half of whom were children. Another 21 million people living in poverty benefited from the credit, further reducing the effects of poverty.

In addition to keeping families out of poverty and increasing food security, these benefits form the crucial foundation for better economic and physical health. According to the Center on Budget and Policy Priorities, the federal social safety net reduces the poverty rate by nearly half when measured by the SPM, but many assistance programs aimed at poor families continue to hold an unwarranted reputation for being ineffective.

Criminalizing Public Benefits

There have long existed assumptions that people who are in need of public assistance have character flaws such as laziness and lack of a moral compass that have made them poor. This myth has nowhere been more vicious than when cast upon Black female heads of household. From the Moynihan Report in 1965, to Ronald Reagan's racist depiction of the mythical "welfare queen," to Clinton's 1996 welfare reform and present day calls for mandatory drug-testing in order to receive public benefits, poor heads of families—especially single mothers—have been demonized and treated like recalcitrant children in need of character-building.

However, what the false picture of the "welfare queen" covers up are the underlying factors that create and perpetuate economic need among the poor. Such factors include poor jobs and low wages, lack of affordable and safe child care, a segregated educational system that adversely affects poor students, particularly those of color, the impact of the criminal justice system on the poor, especially on poor people of color, and overall, the system of white supremacy that divides and oppresses the poor.

As Peter Edelman writes in his recent book, Not a Crime to be Poor: The Criminalization of Poverty in America, "Welfare reform joined mass incarceration as a way to do racial politics [...] jail for the

men and ending welfare for women and children." The constant and increasing policing of poor people serve as a mechanism for social control. Public assistance applicants are finger-printed, run through a database search for outstanding warrants, urine-tested, background checked, spot house checked, and more. Police even rely on these social service records to criminalize poor people when they are stopped for traffic violations or municipal code violations.

Margaret Prescod from Every Mother is a Working Mother Network describes the injustice of these characterizations: "The majority of welfare recipients are White, not Black, but every time a politician wants to cut welfare, they bring up the myth of the Black welfare queen. The welfare rights movement was a multiracial movement. It still is today."

Marian Kramer from NRWO and MWRO recalls organizing the diverse population of welfare recipients forty years ago: "Back in the 1970s, workers who were laid off had to line up for food stamps. The United Auto Workers called us to come out and help them get their members on food stamps. We went out to Wayne County Community College and trained some 300 people how to get their welfare benefits – this was a multiracial group that was mainly men! And then a week after that training, the sheriff's department called me....They had put my information up on their bulletin board because so many of their deputies needed welfare. These were, again, people of different ethnic groups, people who had boats, cars, trucks, all that stuff, but now they weren't being paid because of a struggle between the county and the state. One deputy called me and said, 'I'm down here [at the welfare office], they've turned me down twice. I have children to feed and this time I brought my pistol. Do you think that will help?' I told him to stand down, and let me take over."

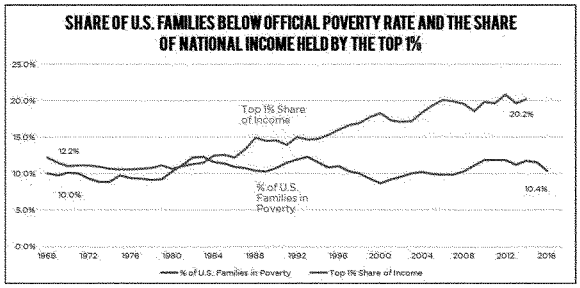
This diversity remains true today. In 2011, Owsley County, Kentucky, which is 94.9 percent White, had among the highest recipient rates for food stamps in the U.S. 52 percent of residents received food stamps. If benefits are slashed, this county, too, will face hardship.

Section IV: Why Are We Poor?

Growing Divide Between Rich and Poor

Between 1968 and 2016, U.S. GDP grew more than eighteen-fold, but the rising tide did not lift all boats. The top 1 percent's share of national income has nearly doubled while the official poverty rate for all U.S. families has merely inched up and down. Despite the country's economic growth, poverty persisted and in many places deepened. The extreme concentration of income and wealth at the top has not only siphoned resources away from those at the bottom end. It has also increased the political power of the ultra-rich, which they've used to shape trade, tax, labor, health care, campaign finance, and other policies in their interest.

Figure 2.8



Sources: Institute for Policy Studies analysis based on Thomas Piketty and U.S. Census.

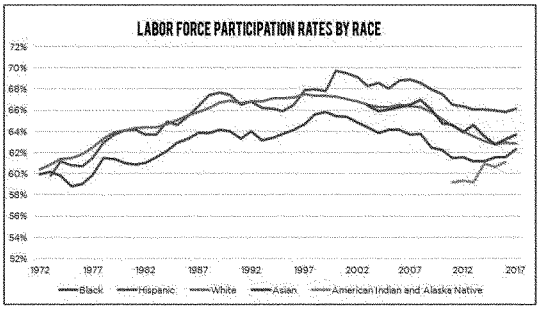
A key factor in the growing economic divide in the U.S. is the changing character of the job market. Although the country is experiencing low levels of unemployment, low wage work that features little job security has shaped the rise in employment in the past few decades. Over 2.9 million workers are currently employed in temporary help services, approximately double the share of the total workforce employed by such agencies in 1990. Median pay for temp workers is about $3.40 an hour less than comparable direct-hire work, and there is evidence that health and safety conditions are significantly worse. More broadly, private sector employment in low-wage industries made up a disproportionate share of job gains in the first years of recovery after the 2008 crash. Between 2010 and 2014, 44 percent of new jobs gained were in these industries, compared to 26 percent of job growth in mid-wage industries.

Such changes to the U.S. economy indicate a larger pattern of inequality that has emerged since the early 1970s. Economic policies that promoted industrial expansion, full employment, and an increased standard of living through empowered labor unions fell out of favor, and were exchanged for policies promoting geopolitical interests, corporate profits, and tax cuts for the wealthy. As a result, regions that were once prominent centers of industrial production have since experienced unemployment, jobless economic recoveries, and wage decline.

Racial disparities remain as well. Since 1968, the Black unemployment rate has persistently run about twice as high as the rate for White people. The unemployment rate, however, only counts those who are actively seeking work, leaving out those who have given up finding a job and those who are working part-time and would prefer full-time employment. Using a broader, more accurate measure of underemployment, the figures are even worse. Native American and Latinx populations fare only slightly better.

Further, among all working age Americans, labor force participation rates remain lower today than they were before the 2008 crisis. As seen in Figure 2.9, participation rates have dropped from 67.3 percent in 2000 to 62.7 percent in January 2018. Native Americans are an exception, but their participation rates are still lower than other racial groups.

Figure 2.9



Source: Bureau of Labor Statistics. 2016-2017 Labor Force Statistics from the Current Population Survey (SIC). Data for American Indian and Alaska Native population is from the American Community Survey.

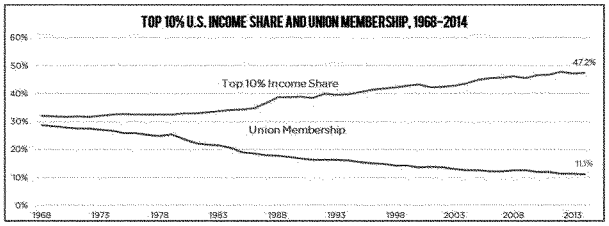
Dr. William Darity from Duke University's Sanford School of Public Policy describes these changes in employment: "During the trial of the Great Recession, the ratio of people seeking work to the number of new job openings was approximately 7 to 1. It's far better today at 1.1 to 1, but that still means that we have a shortfall in excess of about 100,000 people who are seeking work relative to the number of jobs that are available in a given year...This is not just a question of the absence of quantity of work, but it's also a question of quality of work. Indeed, close to half the individuals who are homeless in the United States actually have jobs: the problem is the jobs pay very poorly. And we are now paying greater attention to the notion of precarity of work—that is to say jobs in which the individual has uncertain hours, fluctuations in payment, fluctuations in knowing exactly when they'll have work assignments, and the like....The absence of a sufficient number of jobs and the absence of high quality work opportunities creates toxic conditions that lead groups that have an insider position to fight to preserve their turf. This is the material basis for discrimination...against veterans, individuals who have some form of disability, individuals who have been previously exposed to unemployment, and racial discrimination directed against African Americans in the U.S."

Young men of color have long suffered from lower earnings and higher unemployment rates than young White men. As reported by the Urban Institute in 2015, Black and Latinx men in the 20-24 year age group experienced an improvement in unemployment rates between the early 1980s to late 1990s, but between 2000 and 2015, their employment rates and earnings declined once again.

Black people who lose their jobs are more likely to remain out of work for extended periods of time. According to the U.S. Bureau of Labor Statistics, Black people made up 26 percent of the long-term unemployed in 2017 (out of work for 27 weeks or more), while making up only about 12.5 percent of the American labor force.

These structural changes to the labor market have been accompanied by anti-union policies like "right to work" laws in 28 states as of 2017 that have further undermined workers' power to bargain collectively. Between 1968 and 2017, the share of U.S. workers in unions fell from 24.9 percent to 10.7 percent.

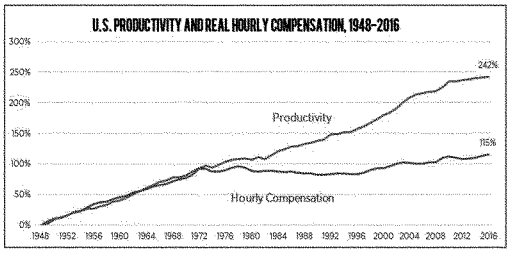
Figure 2.10



Source: Economic Policy Institute

One clear sign of labor's declining power is the sharp disconnect between wages and productivity. At the time of the 1968 Poor People's Campaign, productivity and wages had been rising in tandem for at least two decades. But beginning in the 1970s, employers no longer shared the benefits of improved productivity with their workers. Between 1973 and 2016, hourly compensation increased just 12.3 percent, while productivity increased 73.7 percent.

Figure 2.11



Source: Economic Policy Institute

In fact, U.S. wages, despite a small uptick in the last quarter of 2017, have been stagnating for more than three decades. While pay at the top has increased, typical American workers and the nation's lowest-wage workers have seen little or no growth in their real weekly wages. According to Oxfam and the Economic Policy Institute, around 58.3 million U.S. workers are earning below the living wage of $15 per hour. An Economic Policy Institute study shows Black men make 22 percent less and Black women make 34.2 percent less than White men in the same circumstances. Median wages for certain Asian and other groups like Bangladeshis, Native Hawaiians and Pacific Islanders, and Hmong also lag behind Whites, according to Asian Americans Advancing Justice - Los Angeles.

A Low-Wage Economy Prompts Low-Wage Organizing

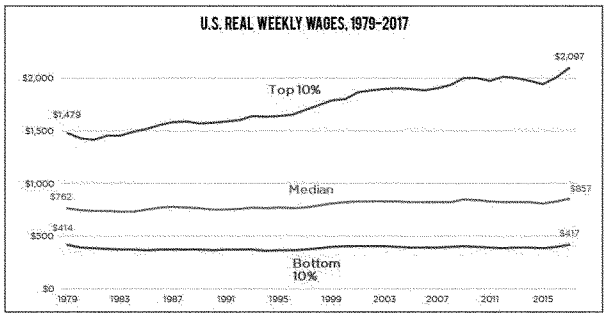
The Fight for $15 began in 2012 when 200 workers walked off their jobs in New York City to demand wages of $15 an hour and union rights. As a campaign of the Service Employees International Union, it now has chapters in more than 300 cities and six countries.

After trying a few different tactics, the Fight for $15 organized a concerted campaign against McDonald's. This was both an attempt to revive the strike to create a disruptive movement and to force a conversation around wages and union rights. McDonald's is the second-largest private employer in the world and the second-largest employer in the United States behind Walmart. The campaign against McDonald's was as much about this specific employer as it was about how the economy had been transformed into a low-wage economy and how this was tied to the decline of worker organizing and the power of working people in this country.

The Fight for $15 has also established a strong southern contingent, Raise Up for $15, which tackles the challenges of organizing low-wage workers across race in the southern United States. Black workers are overrepresented in low-wage industries in the south, yet 51 percent of fast food workers in the region are White.

One of the fastest growing occupations, particularly for women and people of color, has been in restaurant service. The subminimum wage for tipped workers has been stuck at just $2.13 per hour for more than 20 years, creating high levels of economic insecurity for these workers.

Figure 2.12



Source: Bureau of Labor Statistics

Debt-strapped families and governments

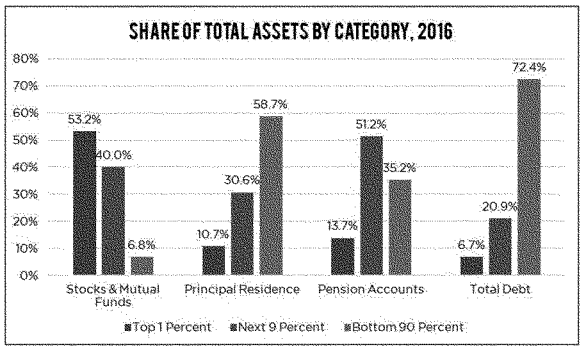
With wages stagnating, college costs increasing, and affordable housing evaporating, millions of American families were living "underwater" in 2016—meaning they have no wealth or their debts are larger than their assets. Excluding the value of the family car, 19 percent of U.S. households (23.9 million households) have zero or negative net worth. Thirty percent of Black households and 27 percent of Latinx households have zero or negative wealth, compared to 14 percent of White households.

Families face enormous stress when they have no financial reserves to help them get through difficulties such as job loss, illness, divorce, or car trouble. Even low- and middle-income families who do have some wealth often do not have any liquid assets—cash or savings—at their disposal. According to a new report by Prosperity Now, nearly four in 10 households (117 million people) have not saved enough to pay themselves a poverty-level income for three months in the event that a job loss or other emergency leaves them without any income. Meanwhile, the concentration of wealth at the top has become more extreme than ever. According to the Institute for Policy Studies, the 400 wealthiest Americans now own more wealth than the bottom 64 percent of the U.S. population (or

204 million people). These 400 wealthiest are predominantly White and include only two Black and five people with Latinx backgrounds.

The rich don't just have more wealth than everyone else. The bulk of their wealth comes from different—and more lucrative—asset sources. America's top 1 percent, for instance, holds more than half the national wealth invested in stocks and mutual funds, while the top 10 percent hold 93.2 percent of those assets. This means that while the stock market may be booming, it is not a reliable measure of how the economy is faring for most people in this country. The bottom 90 percent hold most of their wealth in housing, the asset category that took the biggest hit during the Great Recession. This bottom 90 percent of Americans also hold more than 70 percent of debt in this country, explaining the phenomenon of living "under water."

Figure 2.13



Source: Household Wealth Trends in the United States, 1962-2016

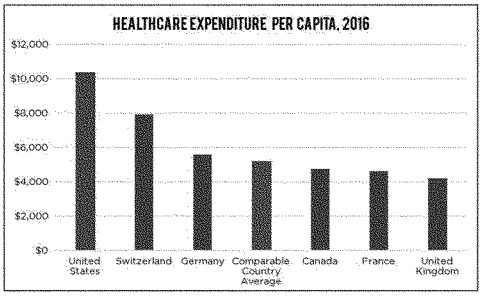
Throughout our country's history, the financial industry has played a major role in creating—and exploiting—economic distress. Racially discriminatory "redlining" in lending, which confines people of color to investment-starved, segregated neighborhoods, was rampant before the 1968 Civil Rights Act banned the practice and it still continues today. Another racially predatory practice—pushing high-risk loans on people of color—inflated the housing bubble that burst in 2008, leaving 9.3 million homeowners facing foreclosure. Nearly ten years later, in December 2017, there were more than 60,000 new foreclosure filings. Today, lawmakers acting on the financial industry's behalf are attempting to cripple the Consumer Financial Protection Bureau, the government agency established in the wake of the crash to stop such financial abuse.

Wall Street and other big corporations have also contributed to economic distress in cities and states by lobbying to block progressive taxes needed to properly fund public services. As Saqib Bhatti, Co-Executive Director of the Action Center on Race & the Economy (ACRE), has pointed out, big banks then turn around and "exploit these cash-strapped state and local governments through predatory financial deals, just like they targeted homeowners with predatory mortgages during the housing boom." To finance projects like bridges and schools, state and city governments sell municipal bonds. From Illinois to Kansas to Detroit and Puerto Rico, states and cities are slashing public services as they prioritize the Wall Street holders of these bonds over the needs of their residents.

Section V: The Impact of Poverty - Health Care

Health care provision is in crisis in the U.S. Driven by drug overdoses, life expectancy at birth in this country declined for the second consecutive year in 2016. This was the first time this had happened since 1962 and 1963. U.S. infant mortality rates in 2010 were among the highest in the developed world. This is despite the fact that the U.S. spends more money per capita on its health care— $10,348 per person—than any other wealthy country in the world.

Figure 2.14



Source: Organization for Economic Co-operation and Development.

The question of healthcare is often tied directly to financial hardship, even for those with health insurance. According to the Kaiser Family Foundation, in 2016, 43 percent of adults with health insurance struggled to afford making their deductible payments, nearly 30 percent experienced difficulties affording medical bills, and 73 percent of the insured reported cutting back basic

household necessities and food in order to pay medical bills. The number one cause of personal bankruptcy in the United States is medical debt.

Put People First! PA has been organizing around the right to health care in small towns and cities across the state of Pennsylvania for the past five years. As co-founder Nijmie Dzurinko describes, "People are choosing between paying for medications and paying for utilities. They are stretching out medications, choosing between buying food and getting health care for their kids. This makes life very hard, when you need to choose between one need or another need, when they're really all needs. People are saying they are forced to stay in relationships because of insurance, because otherwise they won't have benefits. It's also a real question for workers, who are constantly bargaining away their other rights for their healthcare."

While the Affordable Care Act (ACA) led to historic gains in health insurance coverage, reducing the number of nonelderly uninsured people from 44 million in 2013 to about 28 million by the end of 2016, the downward trend reversed in 2017, which saw the single largest one-year increase as 3.2 million people were added to the rolls of the uninsured. The distribution of the uninsured remains statistically the same: Latinx and Black people were disproportionately uninsured at rates of 16.9 percent (10.2 million) and 11.7 percent (4.6 million), respectively, versus 7.6 percent (13.6 million) for White people. The new tax law enacted in December 2017 eliminated the ACA's individual mandate, which is expected to raise costs and lead to an additional 13 million people losing their insurance over the next decade.

Individuals without health care are more likely to suffer poorer health outcomes, greater limitations in their quality of life, and higher rates of premature death. The majority of the uninsured (75 percent) come from families with at least one full-time worker, but with incomes too low to cover their health care and, presumably, other needs. A lack of means to afford insurance strongly corresponds to a lack of access to health insurance options. About 80 percent of the uninsured in 2016 were in families that had incomes that were lower than 400 percent of the poverty level.

Universal Health Care and Single Payer Health Care in Vermont

Universal healthcare is considered a fundamental human right in the World Health Organization's (WHO) constitution of 1948. WHO defines universal coverage to mean that "all people and communities can use the promotive, preventive, curative, rehabilitative and palliative health services they need, of sufficient quality to be effective, while also ensuring that the use of these services does not expose the user to financial hardship."

According to Dean Baker, an economist with the Center for Economic and Policy Research, "Single-payer systems have been successful in providing universal care to the populations of the countries that have them, and doing so at a far lower cost than in the United States." Per-person healthcare costs in Canada are just 47 percent of the costs in the United States. The per-person cost for the single-payer system in the United Kingdom, where healthcare is provided directly by the government, is 42 percent of the U.S. system. These and other single-payer countries also perform better than the United States on broad outcome measures like life expectancy and infant mortality and are comparable on more narrow measures like survival rates from various types of cancer and other disease.

The Vermont Workers' Center (VWC) is a grassroots organization whose members played an integral role in the state's 2011 enactment of a single-payer health care law. This law was ultimately abandoned in 2014, but the struggle for health care continues. Liz Betty Owens, a member of the VWC, describes the challenges she faced to maintain her health care and receive treatment for Lyme disease: "I began the three and a half month process of registering for my state's Medicare program...And ever since I was accepted, I've had to try and tread a careful line making sure I don't make too much money and get booted off the state plan, risking fines from lack of health insurance, and again not having access to the care that I need.... As weather patterns continue to hit new extremes through climate change and the Northeast continues to warm, the number of infected tick bugs—and the risk of Lyme disease—is only expected to grow. The people at the greatest risk are those of us who work outdoors, growing food, working on farms, maintaining state and federal lands. And our heightened risk to this disease is made even more terrifying by the continued threat of our already limited access to healthcare."

Uninsured rates vary significantly by state, depending on whether state governments opted to participate in the ACA's Medicaid expansion, which extended eligibility to those living at or below 138 percent of the poverty line ($28,180 for a family of three). The 32 states (including the District of Columbia) that participated in the Medicaid expansion have seen higher coverage gains than the 19 that did not. In fact, an estimated 64 percent of the coverage gains brought about by the Affordable Care Act occurred in states that expanded Medicaid.

Failure to adopt Medicaid expansion creates a coverage gap for those with incomes too high for Medicaid eligibility but too low to afford insurance in the marketplaces. Almost 2.4 million Americans fall into this coverage gap, and the vast majority, 89 percent, live in Southern states. Of this total, 27 percent live in Texas, 16 percent in Florida, 10 percent in Georgia, and nine percent in North Carolina. Nationally, 48 percent of those in the insurance gap are White, 24 percent are Black, and 24 percent are Latinx.

These gaps have devastating consequences. Callie Greer from Montgomery, Alabama, lost her daughter, Venus, to breast cancer that went undetected for months due to a lack of insurance. Venus

visited the ER more than 25 times. At one of these visits, the ER doctor walked into her room and realized her breast tissue was deteriorating. She died in 2013 when a tumor in her brain ruptured. As Callie later explained, "No one should have to bury their child in America because they don't have health insurance."

The Crisis of Rural Hospitals

In July 2014 Portia Gibbs of Belhaven in rural North Carolina had a heart attack. Just days before, Vidant Health, a private non-profit corporation, had closed the hospital nearest to her home, citing cost reasons. Portia died waiting for a helicopter to be air-lifted to the closest emergency care facility, an hour's drive away.

In response to the hospital closure in Belhaven, in 2014 and 2015, the Republican Mayor of Belhaven, Adam O'Neal, civil rights veteran Bob Zellner, and people from the Moral Mondays/Forward Together movement and the Kairos Center walked 283 miles from Belhaven to Washington, D.C., to raise awareness of this crisis facing rural communities.

Since 2005, more than 120 rural hospitals have been closed. Between 2010 and 2018, there have been 83 hospital closures across 26 states, most of them in southern states. National Rural Health Association CEO Alan Morgan estimates 700 additional closings in the coming decade. These closures are part of the demise of rural communities and economies, indicating a failure of public investment, infrastructure, and access to critical health services.

Section VI: The Impact of Poverty – Housing and Homelessness

Redlining and Homeless Organizing in Philadelphia

50 years after the enactment of the Fair Housing Act, America's banks are redlining and lending in a racially discriminatory manner, with increasingly less oversight. According to analysis by Reveal from The Center for Investigative Reporting, Black applicants were denied conventional home loans at significantly higher rates than Whites in 48 cities, Latinx in 25, Asians in nine, and Native Americans in three. In Philadelphia, Whites received 10 times as many mortgages as Blacks, despite these two racial groups making up equal shares of the city's population. Banks located three-fourths of their branches in the city's majority White neighborhoods.

The Kensington Welfare Rights Union (KWRU) in Philadelphia has been a leading force against such injustices for decades. A multi-racial organization founded by poor and homeless women in the early 1990s, KWRU organized welfare recipients, homeless individuals and families, and other poor people around economic human rights. Six of its members were arrested in 1992 for entering an abandoned building. Their stated intention was to turn it into a community center and KWRU used this moment as an opportunity to call city-wide attention to the growing problem of poverty and homelessness in the land of plenty.

The United States has been in the midst of an affordable housing crisis, hastened by the foreclosure crisis of the Great Recession, for nearly 50 years. Rather than providing a safety net for those who have fallen through the gaps created by this crisis, the Department of Housing and Urban

Development (HUD) has contributed to it. Major budget cuts have led the Department to offer 10,000 fewer units of subsidized housing each year since the 1970s, according to a 2013 report by the Joint Center for Housing Studies of Harvard University. The affordable housing stock has actually declined by 60 percent since 2010.

Today, only about one in four of those eligible to receive federal housing assistance actually do so. At the same time, the percentage of renter households that spend at least half their income on housing has grown from 21 percent to 30 percent in the past two decades. Meanwhile, nearly 73 percent of mortgage interest deduction subsidies have flowed to the top 20 percent of Americans as measured by income, while the bottom 20 percent have received only 0.1 percent of those same subsidies. The new tax law lowered the cap on deductible mortgage debt, but only slightly, from $1 million to $750,000.

As the demand for rental units has increased, so too has rent itself. Such increases, part of a decades-long trend, have given rise to dire straits for poor and low-income families. In 2016, there was no state or county in the nation where an individual earning the federal minimum wage of $7.25 an hour could afford a two-bedroom apartment at market rent. In fact, the average minimum wage necessary to afford even a one-bedroom unit was $16.35 an hour in 2016. Just one year later that wage has climbed to $17.14, more than double the current federal minimum wage. As of 2017, for every 100 extremely low-income renters, a mere 35 will find affordable rental housing.

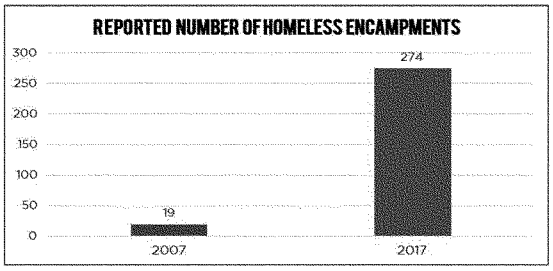
The confluence of these factors has given rise to a housing crisis in the United States. The Western Regional Advocacy Project (WRAP) has been organizing with and among the homeless in California, Washington, Oregon, and Colorado since 2005. Paul Boden, WRAP's Executive Director, who was formerly homeless himself, describes the rise of structural homelessness in the 1980s: "In the 1970s, we started to lose subsidized housing units and that meant losing access to housing in the neighborhoods where those units were. There was a direct connection between the people that were living in subsidized housing, the massive cuts to affordable housing, and the need to open emergency shelter programs…And then we also saw a new category of poor people—homeless poor people—who were somehow seen as different from all the other poor people. But the only difference between homeless poor people and housed poor people is that one is indoors and one is outdoors."

According to the latest figures from the Department of Housing and Urban Development, over 553,000 individuals experienced homelessness each night in 2017. The National Law Center on Homelessness and Poverty (NLCHP) found that anywhere between 2.5 million and 3.5 million individuals comprise the "sheltered" homeless population in the U.S. every year. This includes those living in shelters, transitional housing centers, and makeshift outdoor shelters, such as clustered encampments colloquially referred to as "tent cities." More than 7.4 million additional individuals were estimated to be on the brink of homelessness, having lost their own homes and transitioned into the homes of others.

One of the most disturbing findings of the NLCHP survey is that the number of reported outdoor encampments increased by 1,342 percent, from 19 to 274 between 2007 and 2016, as Figure 2.15

shows. Underscoring this point, almost two-thirds of the encampments studied were expected to have been in use for more than a year. Over one-fourth were expected to have been in use for more than five years.

Figure 2.15



Source: National Law Center on Homelessness and Poverty, Tent City, USA.

Historically marginalized populations tend to be disproportionately represented among the homeless, who are a marginalized population themselves. Black people make up 41 percent of the national homeless population (224,937 individuals), despite comprising only about 13 percent of the U.S. population. According to the most recent data from HUD, White people comprise 61.3 percent of the national population and 47 percent (260,979 individuals) of the national homeless population. Similarly, Latinx people are just under 18 percent of the national population, but comprise 22 percent (119,419 individuals) of the national homeless population.[i]

Homelessness is typically conceptualized in the popular imagination as an issue that most directly affects adults, but children are increasingly being forced to reckon with the challenges of homelessness on their own. The majority of homeless families are headed by single women with young children and almost 41,000 unaccompanied children and youth experienced homelessness in 2017, with 88 percent of them falling between the ages of 18 and 24. Troublingly, this group of young people was more likely to be without shelter than other homeless individuals.

Perhaps nowhere is the problem of youth homelessness more salient, and more understudied, than among LGBTQ youth. A 2012 study from the Williams Institute of the UCLA School of Law among homeless youth service providers found that LGBTQ youth made up 40 percent of their clientele. Recent figures estimate that LGBTQ youth represent between five and ten percent of the nation's young people, but anywhere between 20 percent and 40 percent of the national homeless youth

population, according to analysis from the National Coalition for the Homeless. Although the data is limited, some studies have shown that homeless LGBTQ youth are disproportionately youth of color.

The National Center for Transgender Equality's 2015 U.S. Transgender Survey determined that 30 percent of respondents reported being homeless at least once in their lifetimes. Twelve percent cited being transgender as the reason for their homelessness. Half of undocumented transgender respondents expressed that they had been homeless at least once in their lives. Not surprisingly, economic factors played a role. Overall, the poverty rate for transgender respondents in 2015 was 29 percent and their reported unemployment rate was 15 percent. Among Whites, 24 percent of transgender respondents lived in poverty in 2015, but transgender respondents of color were especially hard hit. Thirty-eight percent of Black respondents, 43 percent of Latinx respondents, and 41 percent of Native American respondents indicated that they lived in poverty.

Compounding the vulnerabilities of experiencing homelessness, cities and law enforcement are colluding to criminalize homeless Americans, trying to make the best of the limited resources available to them. A 2016 report from the National Law Center on Homelessness and Poverty revealed the extent of such criminalization. Of the 187 cities surveyed, 34 percent ban camping in public, 57 percent ban camping in certain public places, 65 percent ban loitering in certain public places, and 53 percent ban sitting or lying down in particular public places, among other behaviors necessary for the homeless to survive on the streets.

These bans are increasing in prevalence in recent years: in the last ten years, for example, bans on camping in public places have increased by 60 percent. Deprived of these makeshift living arrangements, homeless Americans often have few other alternatives. Only five of the 187 cities surveyed by the Law Center had a requirement for contingency plans to provide housing to those who had their "tent cities" disrupted by law enforcement. More disturbingly still, these prohibitions, and the subsequent enforcement of these prohibitions by law enforcement officials, put homeless individuals at risk of incurring criminal records and ensuing criminal justice debt that enmeshes them in the criminal justice system and only deepens their poverty. Perhaps unsurprisingly then, homeless Americans are as much as 11 times more vulnerable to incarceration than the general population nationally.

Section VII: The Criminalization of Poverty

Debtors' prisons were outlawed in the U.S. in 1833 under federal law. In 1983, the U.S. Supreme Court reaffirmed that incarcerating indigent people because of their debts is a violation of the Fourteenth Amendment's equal protection clause. However, the reality today is that low-income and poor people are routinely fined or arrested for minor violations, such as failing to use a turn signal at an intersection or driving with a broken taillight or with a suspended license. Policies that criminalize the very condition of being poor have risen since the 2007 financial crisis. Fines rose across 48 states in the wake of the Great Recession, and with them, the fees imposed for late or partial payment, creating a snare for those without sufficient funds. According to the most recent estimates from 2011,

over $50 billion in criminal justice debt was owed by the estimated 10 million Americans that interact with the criminal justice system each year.

Police forces have become money collectors, targeting the poor. The Department of Justice report on Ferguson, Missouri, in 2015 found that the police culture seemed to see low-income residents, especially from Black neighborhoods, "less as constituents to be protected than as potential offenders and sources of revenue." A National Public Radio investigation of Ferguson, in the wake of the Michael Brown killing, found that the municipality collected $2.6 million in fines and fees, largely for municipal code violations, and that this was Ferguson's second-largest source of income. This reality is repeated in low-income municipalities across the U.S. Local governments try to make up for income lost by austerity measures that begin at the federal level and have ramifications for revenue down through the states and localities.

Indeed, the entire criminal justice system is complicit in this scheme. The probation process has become one of the most reliable money makers. In the absence of lost revenue in the wake of the Great Recession, local governments and courts have increasingly turned to private probation companies. These private companies promise to make money overseeing probation operations for local governments and courts at no cost to taxpayers. Instead, the costs of probationary operations are pushed onto the probationers themselves, giving rise to what has become known as the "offender-funded" probation model. The result of such collusion is that the primary objective for local government and courts becomes extracting revenue rather than administering justice. Local governments, courts and private probation companies all profit wildly.

In effect, two criminal justice systems have been created: one for the favored wealthy and one for the poor. Perhaps nowhere is the existence of this two-tier system more apparent than in the practice of determining bail. Originally conceptualized as an incentive for defenders to return for their court appearances, bail has become yet another means of criminalizing poverty. By the Department of Justice's own admission 95 percent of the growth in the incarcerated population since 2000 is the result of an increase in the number of unconvicted defendants, many of whom are unable to make bail. That an increasing number of defendants cannot make bail is a result of the fact that bail amounts

Confronting Homelessness and Incarceration in Rural Washington

Chaplains on the Harbor (COH) is a ministry in Grays Harbor County, a predominantly White county that is one of the most economically distressed in Washington State. COH pastors, organizes, and works with the poor on the streets and in the jails of Grays Harbor. This has brought them unwanted attention and violence from the police and vigilante groups across the county. Aaron Scott, chaplain and organizer with COH, describes their members' relationship with law enforcement: "This region has invested far more heavily in incarceration and policing than in healing. Since the timber industry packed up and left town in the 1990s, the main replacement industry has been incarceration. It starts early, too: Grays Harbor County incarcerates children for nonviolent, non-criminal offenses at a higher rate than any other county in the state of Washington. The ACLU recently sued our juvenile detention facility for torturing a child. Why invest in children, or in healing and recovery, when there's money to be made in keeping the jails full?"

themselves have increased over the years. Studies have also shown that defendants of color are given higher bail amounts than their White counterparts.

If one is jailed for inability to pay bail, not only do costs mount, but jobs are lost, rent and car payments are not made, parents cannot care for their children or keep the lights on in the home. Sometimes this can result in loss of custody of children. Pretrial incarceration can lead to a loss of access to public benefits, including Social Security and Medicaid. One study revealed a positive correlation between pretrial incarceration and a conviction. An inability to make bail can separate defendants from their medications and medical treatments and generally cause a deterioration of a defendant's health. In 2013, individuals who were jailed before their trial made up three-fourths of the total number of suicides by incarcerated persons in local jails.

A NATION THAT CONTINUES YEAR AFTER YEAR TO SPEND MORE MONEY ON MILITARY DEFENSE THAN ON PROGRAMS OF SOCIAL UPLIFT IS APPROACHING SPIRITUAL DEATH.

- THE REV. DR. MARTIN LUTHER KING, JR., RIVERSIDE CHURCH, NEW YORK CITY, APRIL 4, 1967

THE WAR ECONOMY & MILITARISM

FIGHTING MILITARISM MEANS NOT JUST STOPPING ONE WAR, BUT TAKING ON THE UNDERLYING SOCIAL STRUCTURES OF RACISM, POVERTY, AND POLICIES THAT ENABLED THE IRAQ AND AFGHANISTAN WARS TO CONTINUE, WHILE POLITICIANS AND DEFENSE CONTRACTORS GET RICH, [AND TO SEE] THE MILITARISM IN OUR POLICE, THE MILITARISM OF OUR PUBLIC LANDS, THE MILITARISM OF THE BORDERS, THE MILITARISM IN OUR SCHOOLS, AND VIRTUALLY ALL OF OUR INSTITUTIONS.

- REV. SHAWNA FOSTER, FORMER BOARD CHAIR, IRAQ VETERANS AGAINST THE WAR, 2017

When Dr. King warned of the dangers of militarism, the United States was in the middle of a devastating war in Vietnam, with U.S. bombing campaigns ravaging neighboring Cambodia and Laos. And in the five decades since, powerful elites in the United States have never wavered from their conviction that "hard power"—meaning brutal military force—is the basic foundation of U.S. wealth and domination around the world and that non-military engagement with the world, such as diplomacy, can be largely sidelined in favor of military assault.

Today, U.S. troops and bombers are fighting wars in Afghanistan, Iraq, and Syria, and U.S. drones and planes are conducting deadly bombing campaigns in Libya, Pakistan, Somalia, and Yemen. In 2017, U.S. Special Forces were deployed in 149 countries.

And yet with no legal draft and fewer Americans serving in the military, the direct costs of U.S. militarism are not as evident as they were in 1968. And the indirect costs of our bloated Pentagon budget and the human and environmental tolls both at home and abroad are woefully under-reported. Unlike President Dwight Eisenhower, who warned against the "military-industrial complex," no contemporary political leader is putting the dangers of militarism and the war economy at the center of public debate.

It is not, therefore, surprising that in the 50 years since Vietnam, U.S. public support for the military has skyrocketed. In a january 2018 poll, 87 percent of American voters said they have "a great deal" or "quite a lot" of confidence in the military. No other institution, from schools to banks to courts to the media, let alone Congress, the presidency or political parties, enjoys that level of support. The military is now the most trusted institution in the country.

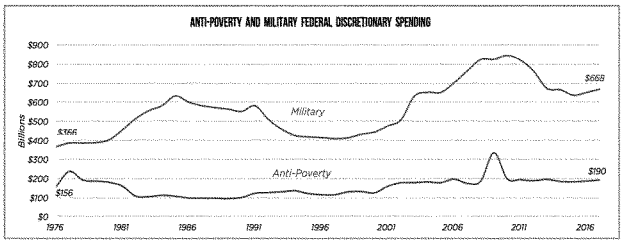
This section highlights under-publicized indicators of the war economy and militarism today, including the human toll of warfare, the budget, privatization, race, gender, and environmental impact.

Section I: The War Economy and Military Expansion

If the priorities of a nation are evident in its budget, our country has been off course for half a century. At the height of the Vietnam War more than 40 years ago, the U.S. was spending more than twice as much of its discretionary budget on the military ($365 billion) as on programs that reduce or prevent poverty ($156 billion). Today the gap between military and anti-poverty discretionary spending has grown far past this.

By 2017, with the Vietnam War long over, the Cold War consigned to history and 15 years into the Global War on Terror, military spending was more than three times the investment in people's lives at home—$668 billion for the military versus $190 billion for education, jobs, housing and other basic human needs. (All figures are adjusted for inflation.)

Figure 3.1



Source: National Priorities Project, Office of Management and Budget. Military spending includes spending on the Department of Defense, wars, nuclear weapons, and other military activities. Anti-poverty spending was broadly defined to include: federal education spending (K-12 and higher education); Medicare (administration and some program parts); community and regional development; housing assistance; early childhood education; community social services; income security (supplemental income, heating assistance, child care block grants, etc.); training and employment services; and unemployment assistance.

Overall, in 1976, the United States spent 51¢ of every discretionary dollar on the military, and 22¢ on anti-poverty programs. In 2017, this figure was 53¢ going to the military, and just 15¢ going to anti-poverty programs. Under the budget President Trump proposed in February 2018, almost two-thirds—65¢ of every discretionary dollar—would go to the military, and just 12¢ would go to anti-poverty programs by 2023.

Many argue that the military produces jobs, making the enormous expenditure an investment in people's lives. They note that the rise of the World War II-era military production helped pull the country out of the Great Depression. But by today's standards, since the beginning of the War on Terror, military spending tends to stall job creation as compared to most other ways of investing federal dollars. The latest research finds that $1 billion in military spending creates approximately 11,200 jobs—but the same amount of money would create 26,700 jobs if invested in education, 16,800 jobs in clean energy, or 17,200 in health care.

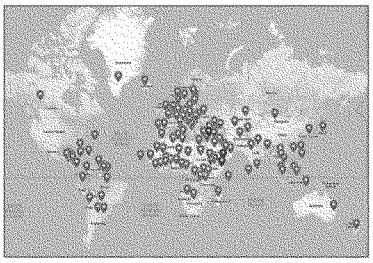
Author David Vine on U.S. Military Bases

"In 1968, at the height of the war in Vietnam, the United States had military bases in about 50 countries. 50 years later, there are about 800 U.S. overseas bases in at least 80 countries. Special Forces Command acknowledges that in 2017 its elite troops were operating in at least 149 countries.

While we spend around $150 billion a year maintaining comfortable bases and troops in Italy, Okinawa, Germany, and beyond, the water in Flint is still unsafe to drink, the subway systems in Washington, D.C. and New York City still suffer frequent, sometimes deadly accidents, and schools in Baltimore still don't have enough heat to remain open on cold winter days."

David Vine, American University, author of Base Nation: How U.S. Military Bases Abroad Harm America and the World.

Figure 3.2



Investigative reporter Nick Turse revealed that, according to U.S. Special Operations Command the Pentagon's elite troops, including Navy SEALS and Army Green Berets, were deployed to 149 nations in 2017. The map shows 132 of those countries; 129 locations (in blue) were supplied by U.S. Special Operations Command; Turse identified 3 additional locations (in red) -- Syria, Yemen, and Somalia -- from open-source information. The other 17 countries have not been identified.

The expansion of the U.S. military around the world causes serious problems, from assaults on local women to environmental destruction to distorting local economies. According to *Stars and Stripes*, in 2011 there were 333 reports of sexual assault by U.S. Marines on Marine bases. The highest number was at the huge Camp Lejeune base in Florida and the second highest, with 67 assaults, was Okinawa.

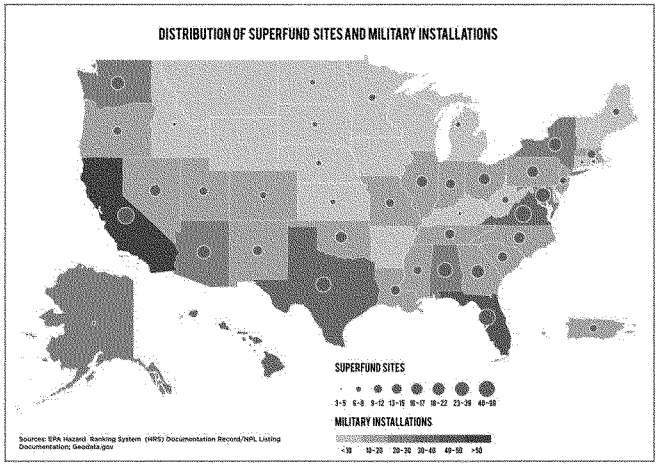
Along with people, the local environment always suffers. As Vine writes in *Base Nation*, "there is no underestimating the profound environmental damage caused by most military bases and the significant risks they pose to human and the rest of the natural environment...Even the greenest military installation has a carbon footprint vastly disproportionate to the number of people living

and working on base. Bases are, after all, usually home to large concentrations of extraordinarily fuel-inefficient trucks, tanks, aircraft, and naval vessels...The military also uses huge amounts of energy to air-condition, heat, and power its bases' tens of thousands of buildings and structures. The military's thirst for petroleum is so great that on a worldwide basis, the U.S. armed services consume more oil every day than the entire country of Sweden."

The environmental legacy of U.S. wars around the world include: unexploded ordnance left behind by U.S. troops, forests destroyed by chemical defoliants such as Agent Orange in Vietnam, toxic liquids that leach into the soil and water of war-ravaged countries for generations after wars have ended, and air pollution from military burn pits used to destroy chemicals, plastics, equipment, and documents.

This environmental impact is evident at home, as well. According to a 2014 exposé in *Newsweek* looking just at military bases inside the U.S., the Pentagon is directly responsible for 141 Superfund sites, which are contaminated sites so dangerous to human health or the environment that they qualify for special federal clean-up grants. This amounts to 10 percent of all of Superfund sites, far more than any other polluter. Another 760 or so additional Superfund sites are abandoned military facilities or sites that otherwise support military needs.

Figure 3.3



Section II: Benefitting From War And Privatizing The Military

Whether 50 years ago, when the first Poor People's Campaign called out excessive military spending, or today, the massive U.S. defense budget has never actually been about "defense." Washington's wars of the last 50 years have little to do with protecting Americans. Rather, their goals are to consolidate U.S. corporations' control over oil, gas, other resources and pipelines; to supply the Pentagon with military bases and strategic territory to wage more wars; to maintain military dominance over any challenger(s); and to continue to provide justification for Washington's multi-billion dollar military industry.

That industry is thriving. In 1967, the year the first Poor People's Campaign was announced and the height of the Vietnam War, the Pentagon spent $251 billion on military contractors. 50 years later, in 2017, that amount had increased to $320 billion. Just as one example, in 2017 Pentagon contractor Lockheed Martin was paid over $35 billion in taxpayer money, almost as much as the $39 billion Trump proposed for the entire State Department budget for 2019.

Huge profits for military contractors and their exceptionally highly paid CEOs undercut the common claim that "no one *wants* war." When your personal wealth relies directly on military spending, there is a motive to support pro-war policies. In the years following the terrorist attacks of September 11, 2001, virtually all corporate CEOs were doing very well. A 2005 report by the Institute for Policy Studies showed that between 2001 and 2004, CEOs of large corporations averaged a 7 percent raise on their already lucrative salaries. Defense contractor CEOs, however, averaged a 200 percent increase in compensation as the U.S. ramped up war in Afghanistan and Iraq.

The problem goes beyond the false claims that the hundreds of billions of dollars in the U.S. military budget are somehow all necessary to protect our troops. The Pentagon, the White House, Congressional armed services committees, and military contractors all rely on public support for the troops to justify military spending that actually has nothing to do with protecting or supporting soldiers. In fact, they do a kind of "bait and switch" to justify spending on nuclear weapons, high-tech advanced weapons systems, and new warplanes that sometimes even the Pentagon itself does not want. In the meantime, there are cost overruns, and hundreds of billions every year go straight from Pentagon procurement offices to giant corporations. None of that goes to the troops.

War Profiteering: The David Brooks Story

In 2005, David H. Brooks threw a party for his daughter's bat mitzvah that was absurdly over the top. The New York businessman flew in musical mega stars Stephen Tyler and Joe Perry (from Aerosmith), 50 Cent, Tom Petty, Kenny G., and a gaggle of other celebrity acts, many by private jet, to perform for the girl in the Rainbow Room in Rockefeller Center. That the money for the bash, estimated by the New York Daily News at $10 million, came from war profits, made this excess even more obscene.

Brooks, CEO of bulletproof vest maker DHB Industries, had seen his fortunes soar since the 9-11 terrorist attacks. In 2004, he earned $70 million, most of it from stock options. That represented an increase of 13,349 percent over his pre-9-11 compensation, according to Executive Excess, co-published by the Institute for Policy Studies and United for a Fair Economy.

Brooks' flaunting of his war wealth drew attention to the fact that the equipment which boosted his fortunes didn't even work very well. In May 2005, the Marines recalled more than 5,000 DHB armored vests after questions were raised about their effectiveness in stopping 9 mm bullets. The Marines and Army later announced a recall of an additional 18,000 DHB vests.

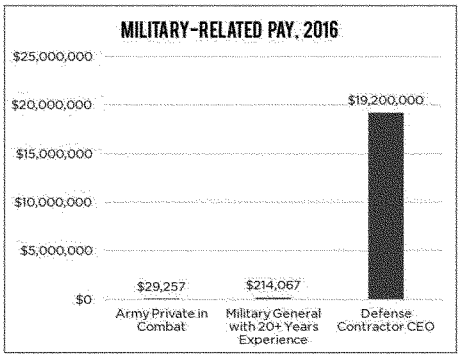
While many war profiteers and fraudsters get off scot free, Brooks's outrageous personal behavior drew enough scrutiny to land him in prison in 2010 for insider trading and using company funds for his own lavish lifestyle. He died in prison in 2016.

Drawn from "Executive Excess: Close Loopholes That Allow War Profiteering" by Sarah Anderson, Institute for Policy Studies, 2006.

In 2016, the CEOs of the top five defense contractors earned a combined total of $96 million in compensation, or an average of $19.2 million. That is more than 90 times the $214,000 earned by a

U.S. military general with 20 years of experience that same year, including housing allowances and extra combat pay. Army privates in combat, for their part, faced considerably more everyday risk than CEOs—or generals for that matter. Yet they earned less than $30,000 in 2016.

Figure 3.4

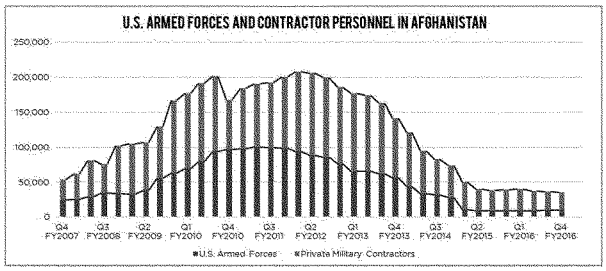


Source: Institute for Policy Studies, based on Defense Finance and Accounting Service and corporate proxy statements.

The availability of private military contractors, along with the end of the draft and the changing nature of warfare, has also led to a dramatic shift towards reliance on privately employed civilian workers to do many of the tasks once assigned to lower-ranked troops. As of January 2018, the Pentagon's job categories for private contractors in the Iraq and Afghanistan war theaters include activities like construction, base support (e.g., cooking and cleaning), IT/communications, medical and dental, social services, translation and interpretation, and transportation—as well as armed and unarmed security details. These are many of the same responsibilities active duty military service members also provide but for far less compensation.

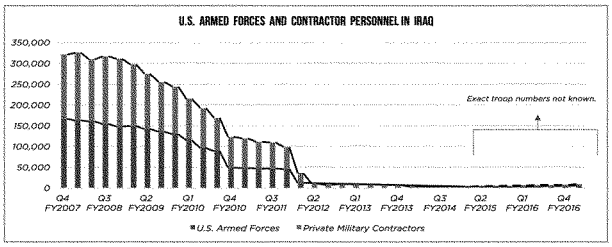
Further, during the Vietnam War 50 years ago, the ratio of U.S. soldiers to civilian contractors was 1 to 0.17. In the early Afghanistan and Iraq Wars, the numbers shot up almost 10 times higher—1.1 contractors for every soldier in Afghanistan, and 1.2 in Iraq. By 2016, at the height of the drone wars, Foreign Policy magazine reported that "Obama has authorized the continuation or re-emergence of two of the most contractor-dependent wars (or 'overseas contingency operations' in Pentagon-speak) in U.S. history. As noted previously, there are roughly three contractor personnel (28,626) for every member of the U.S. military (9,800) in Afghanistan, far above the contractor per uniformed military personnel average of America's previous wars. In Iraq today, 7,773 contractors support U.S. government operations—and 4,087 U.S. troops."

Figure 3.5



Source: Congressional Research Service, Department of Defense Contractor and Troop Levels in Iraq and Afghanistan, 2007-2017. "Private Military Contractors" refers to both security and non-security contractors. DOD did not begin releasing data on contractors in CENTCOM until Q4 FY2007. U.S. Armed Forces personnel figures include all active and reserve component personnel.

Figure 3.6



Source: Congressional Research Service, Department of Defense Contractor and Troop Levels in Iraq and Afghanistan, 2007-2017. "Private Military Contractors" refers to both security and non-security contractors. DOD did not begin releasing data on contractors in CENTCOM until Q4 FY2007. U.S. Armed Forces personnel figures include all active and reserve component personnel.

The deployment of so many civilian contractors creates all kinds of problems. Military contractors are even less accountable than soldiers to the rules of engagement or international laws of war regarding protection of civilians. When four machine gun-wielding civilian operatives employed by Blackwater under a Pentagon contract carried out the Nisour Square massacre in Iraq in 2007, killing 17 unarmed Iraqi civilians, Blackwater became the poster child for what the *Washington Post* called

"deep resentments about the accountability of American security forces during one of the bloodiest periods of the Iraq War." Massive publicity led to a rare prosecution of the Blackwater mercenaries in a U.S. court, leading to a first-degree murder conviction and three other thirty-year sentences in 2014. Three years later the verdicts and sentences were overturned.

Reliance on contractors also means the public is frequently misled into believing that wars are winding down because official troop levels are dropping, unaware of the vast numbers of civilians still doing the Pentagon's fighting. And the pay disparity between well-paid U.S. private contractors and their military counterparts can create resentment among U.S. troops paid so little that they and their families often qualify for food stamps. In 2016 the Government Accounting Office reported that in 2013 about 23,000 active duty military troops were receiving food stamps. The same GAO report showed that in 2015, 24 percent of children in Pentagon-run U.S. schools qualified for free meals, and another 21 percent qualified for reduced-price meals.

Section III: The Poverty Draft

Many people continue to see the military as a way out of poverty. The ranks of the so-called "all-volunteer military" are still filled by a draft—not a legal draft, as during the Vietnam War, but an economic draft. During the heyday of the Vietnam-era draft, many middle class and wealthy young men were able to defer or avoid military service through access to lawyers, doctors, universities, and other institutions inaccessible to the poor. Today, young men and women are still subject to a draft enforced by poverty, by lack of other jobs, by lack of college opportunities, and by the limited options available in rural areas and small towns.

As reported in a 2008 study on race, class, immigration status, and military service, "an important predictor to military service in the general population is family income. Those with lower family income are more likely to join the military than those with higher family income...the all-volunteer force continues to see overrepresentation of the working and middle classes, with fewer incentives for upper class participation."

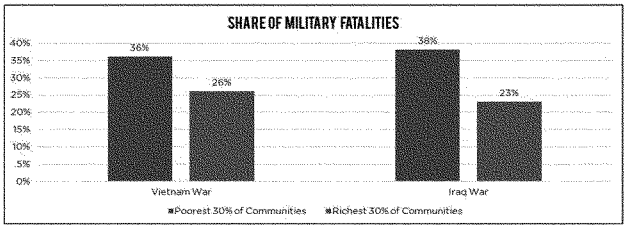
This has meant that, over the last 50 years, poor communities continue to suffer a disproportionate share of the nation's wartime fatalities. The poorest 30 percent of U.S. communities suffered 36 percent of the casualties in the Vietnam War and 38 percent in the Iraq War. The wealthiest 30 percent of U.S. communities had 26 percent of casualties in the Vietnam War and only 23 percent in the Iraq War.

Veterans doing an "About Face" Against War

About Face: Veterans Against the War is the new name of Iraq Veterans Against the War (IVAW), an organization of veterans and active duty servicemen and women from all branches of military service, National Guard members, and reservists who have served in the U.S. military since September 11, 2001. Founded in 2004, IVAW has led the movement of veterans and GIs working to end the U.S. military's occupations of Iraq and Afghanistan. IVAW has built up a grassroots base of over 3,000 members in 48 states across the country. In 2008, they organized Winter Soldier: Iraq and Afghanistan, an event that built on the first Winter Soldier hearings organized by Vietnam Veterans Against the War in 1971. Thirty-seven years later, they brought out more than 200 veterans to talk about their experiences in the recent wars in Iraq and Afghanistan. Members also organized a protest against NATO in 2012 in Chicago, where veterans, also building on Vietnam Veterans Against the War's action decades earlier, threw back their medals of honor in protest against the lies and the impacts of war at home and abroad.

Rev. Shawna Foster was Board Chair of About Face: Veterans Against the War until 2017 and speaks to the impact of the privatization of the military: "We watched our jobs being taken away by contractors who would do the exact same job we were paid to do, except we were getting paid under minimum wage...and [contractors] were making $90,000-$120,000 a year. So we would quit and come back as contractors, but the thing is, if you die as a contractor doing the same job, you don't get the same benefits like you do in the military...and nobody cares. Nobody is throwing a parade, nobody is remembering you anywhere, nobody is naming a street after you. But if you die in the service, that is totally different. You come back in a coffin, with a flag draped over you...this is one way the war machine has been able to continue at our expense."

Figure 3.7



Source: Douglas L. Kriner and Francis X. Shen, Los Angeles Times

In 2010, the Iraq war was still at its height and the massive job losses of the 2007-08 financial crisis had kicked in. The crisis affected everyone, but according to the National Priorities Project, "recruitment rates [were] about 20 percent higher in non-metropolitan counties than they [were] in metropolitan counties." More recently, a 2017 study based on Pentagon information on the hometowns of 6,800 U.S. casualties from the wars in Iraq and Afghanistan through 2016 indicated

that 23 percent of the casualties came from small towns and rural areas that together make up only 17 percent of the U.S. population.

Too often veterans drafted by poverty and treated badly in the military continue to face economic hardship when they return. According to a 2017 report from the Economic Policy Institute, if the federal minimum wage were increased to $15 per hour by 2024, as some new legislation proposes, one out of every five vets (1.8 million people) would get a raise. And the high number of veterans who are currently underpaid undercuts the myth that only teenagers working at McDonald's after school would benefit from raising the minimum wage. Of the military veterans who would benefit, nearly two-thirds are 40 years old or older. More than 60 percent have some college, and almost 70 percent are working full time at below living wage levels.

The Poverty Draft in Cities and Small Towns

Jose Vasquez, Current Board Chair of About Face: Veterans Against the War, grew up in the Bronx, New York, and then moved to San Bernardino, California. Garett Rappenhagen grew up in Colorado and served as a Cavalry Scout Sniper with the 1st Infantry Division in the U.S. Army. He is the Regional Director of the Vet Voice Foundation. Both Jose and Garett were conscripted into the military through the poverty draft, seeking opportunities through military service that were not readily available otherwise. They also both left the service to join the veterans' resistance movement.

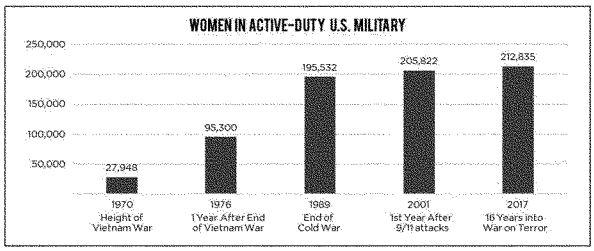
As Jose describes: "The high school I went to in San Bernardino was near a large Air Force base. When that Air Force base closed, the economy of San Bernardino was devastated...a lot of folks moved there from L.A. because it was cheaper, but it also brought with it poverty, drugs, gang violence. I grew up on welfare. My mom was a single mom with four kids. For me joining the military was my escape and way out of that situation I was in...When I signed up as a 16-year-old high school kid, my recruiter talked about $40,000 for college...I thought this was a stepping stone. I wasn't necessarily thinking of the military as a career but this was a way out, with the GI Bill and the prestige and honor having served in the military. I had a vague sense that employers would like the fact that I was a veteran. And it got me out of L.A. immediately once I signed up. I would soon after be able to send home money to my mother who was looking after my siblings."

Garett describes his own path to the military: "I dropped out of high school after my father died of Agent Orange-related cancer and ended up working small minimum wage jobs. I bounced around a lot until I decided to join the military one month before September 11th...I was getting in trouble with law enforcement and realized that I didn't have a lot of opportunities for college...I thought through serving in the military, I would get that opportunity...I don't think my situation was that uncommon. Most of the people I talked to were from poor rural areas or from the ghetto somewhere, places with very limited opportunity....[Recruiters are] in our high schools, sometime in our junior high schools, middle schools—recruiting kids all the time. You see them at fairs and other things where you see 8 and 10-year-olds are allowed to pick up weapons at a table and hold them and cock them and feel proud to be holding them."

Section IV: The Military Gender Gap

Only one year before the 1968 Poor People's Campaign, the longstanding U.S. law restricting the share of women in the military to 2 percent of the total force was changed—largely because of the demands of the escalating Vietnam War. The women's movement that began during Vietnam also played a significant part in the increasing number of and broadened roles for women in the U.S. military. The case for women's equality in the U.S. military was complicated by the fact that that same military was engaging in wars that were killing large numbers of women in Vietnam, Laos, and Cambodia.

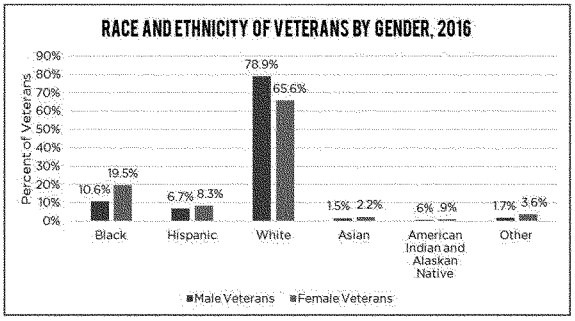
Figure 3.8



Source: Department of Defense.

By the time of the Iraq and Afghanistan wars almost 35 years later, women played a significantly larger role in the military, both in numbers and in range of responsibilities. In 2015, people of color made up 21 percent of the relevant civilian population, while they constituted 30.5 percent of the enlisted troops. Women of color represented higher percentages than men of color in all parts of the military forces. Women veterans, in 2016, were also significantly more diverse racially, with almost twice as high a percentage of Black female veterans as their male counterparts.

Figure 3.9



Source: National Center for Veterans Analysis and Statistics, Profiles of Veterans: 2016.

But as women's participation in the military increased, so did the number of women victimized by their fellow soldiers. According to recent Veterans Administration (VA) data, one in every five women veterans has told their VA healthcare provider that they have experienced military sexual trauma, defined as sexual assault or repeated, threatening sexual harassment. In 2012, a Department of Veterans Affairs survey indicated that nearly half of female military personnel sent to Iraq or Afghanistan had reported being sexually harassed, and nearly 25 percent said they had been sexually assaulted.

While consistent historical data are lacking, sexual trauma has long plagued the U.S. military. According to an article in the *American Journal of Industrial Medicine*, a 2003 survey of women veterans who served in wars from Vietnam to the first Gulf war found that nearly 30 percent had suffered from rape or attempted rape and 79 percent reported being sexually harassed.

This institutional discrimination against women soldiers takes place alongside propaganda efforts to use discrimination against women as a justification for war. Just four years before 2001, when the extremist anti-women Taliban ruled Afghanistan, UNOCAL oil adviser Zalmay Khalilzad had welcomed the Taliban to the United States to discuss potential deals. Little or no concern was expressed about women's rights or women's lives. In December 2001 President George W. Bush appointed Khalilzad special representative, and later U.S. ambassador to Afghanistan.

After the September 11 attacks, there was a sudden onslaught of expressed concern about the Taliban's treatment of Afghan women. Just weeks into the U.S. war in Afghanistan, First Lady Laura Bush called the war "a fight for the rights and dignity of women." But the U.S.-installed government that replaced the Taliban included many warlords and others whose extreme antagonism to women's

rights was hardly distinguishable from that of the Taliban. Gulbuddin Hekmatyar, a U.S. favorite from the anti-Soviet war in Afghanistan in the 1980s, actually invented the horrific tactic of throwing acid in the face of young women heading for school; in 2018 he remains influential in Afghan political life. And after more than 16 years of U.S. war and occupation, CIA rankings show Afghanistan's level of infant mortality remains just where it was when the Taliban were in power: the highest in the world.

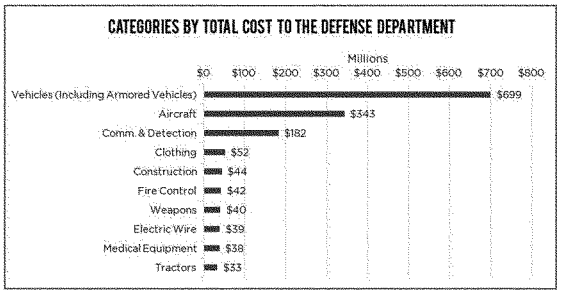
As Afghan women activists Sonali Kolhatkar and Mariam Rawi poignantly assert, "The tired claim that one of the chief objectives of the military occupation of Afghanistan is to liberate Afghan women is not only absurd, it is offensive. Waging war does not lead to the liberation of women anywhere. Women always disproportionately suffer the effects of war, and to think that women's rights can be won with bullets and bloodshed is a position dangerous in its naïveté. ... Paper gains for women's rights mean nothing when, according to the chief justice of the Afghan Supreme Court, the only two rights women are guaranteed by the constitution are the right to obey their husbands and the right to pray, but not in a mosque. These are the convictions of the government the U.S. has helped to create. The American presence in Afghanistan will do nothing to diminish them. Sadly, as horrifying as the status of women in Afghanistan may sound to those of us who live in the West, the biggest problems faced by Afghan women are not related to patriarchy. Their biggest problem is war."

Section V: Militarizing Our Society

The militarization of U.S. society is visible far beyond the Pentagon. Less than three months after Martin Luther King was assassinated, Congress passed the Omnibus Crime and Safe Streets Act, vastly increasing federal funds for local police forces. 50 years later, many U.S. police departments have used those funds to adopt the technology, tactics, and cultural outlook of the armed forces, resulting in highly militarized local police.

Much of the federal funding comes through things like the "1033 program," which authorizes the Pentagon to transfer military equipment and resources to local police departments—from grenade launchers to armored personnel carriers—all at virtually no cost. Between 2006 and 2014 alone, the value of just the top ten categories of military equipment sent to law enforcement agencies totaled more than $1.5 billion. It was because of the 1033 program that an armored military vehicle patrolled the streets of Ferguson after the killing of Michael Brown in 2014.

Figure 3.10



Source: National Public Radio, data obtained from The Law Enforcement Support Office.

Another example was the creation of Special Weapons And Tactical (SWAT) teams in police departments across the country. The American Civil Liberties Union's 2014 report on militarization of local police found that SWAT raids often used unnecessary violence, and were clustered in predominantly Black and Latinx neighborhoods. Overall, law enforcement agencies that received military equipment are associated with greater numbers of civilian killings by police.

The Military, the Police and the War on Drugs

"The military unit that coordinates military support for anti-drug efforts in the continental United States (i.e., Joint Task Force 6) has worked extensively with various American law enforcement agencies but particularly with the U.S. Border Patrol, a police unit focused on immigration issues.

"This collaboration has changed over the years from the military simply providing loans and equipment (in the early 1980s), to providing advisors and training (in the late 1980s), to providing ground troops and substantial integration of military and law enforcement efforts in the 1990s. This collaboration has often entailed serious cultural adjustments, in that law enforcement agencies (LEAs) are supposed to think in terms of legal procedures and due-process rights, while military agencies think in terms of overwhelming and destroying an adversary. Thus, the training (in small-unit tactics, interview and interrogation techniques, the use of pyrotechnics and booby traps, etc.) provided by the military to American LEAs is oriented toward the elimination of an enemy threat and inherently engenders a much more militaristic orientation in civilian police bodies.

"Interestingly, because of the U.S. military's presence in the 'war on drugs' worldwide, this tendency to militarize civilian police forces through collaborative training is not just limited to American LEAs. Researchers have documented that the U.S. military trained almost two thousand Colombian National Police and about one hundred Panamanian National Police in light infantry tactics in 2003. As these investigators have noted, light infantry tactics are not police skills but military skills; and the provision of such training cannot but help blur the line between the police and military roles. Thus, seen in this broader context, it is perhaps not surprising that the U.S. military's role in the global war on narco-trafficking (which has encouraged practices, programs, and doctrines promoting confusion between the police and military roles abroad) has also fostered a similar confusion of roles in the United States itself."

- excerpted from "Soldiers as Police Officers/ Police Officers as Soldiers: Role Evolution and Revolution in the United States," Donald J. Campbell & Kathleen M. Campbell, Armed Forces & Security

Another impact of this widespread militarization at the governmental level—militarized police agencies and the military forces themselves—is the militarization of much of civilian life in the United States. While guns have always played a major role in U.S. history and culture, dating back to the genocide of Native people inherent in the European conquest of the continent and the enslavement of Black Africans, guns are now more prevalent than ever before. With 265 million guns, Americans own far more guns per capita than the residents of any other country. According to the Geneva-based Small Arms Survey, "[c]ivilian ownership of machine guns is legal in most parts of the United States, under Class 3 licenses. The phenomenon is seen in a few other countries, typically with weak legal systems, such as Somalia and Yemen."

The ubiquity of guns exacts a steep price. From 1968 to 2016, there were about 1.6 million gun deaths in the United States. U.S. homicide rates were 7.0 times higher than in other high-income countries, driven by a gun homicide rate that was 25.2 times higher. Of the 38,658 gun deaths in the United States in 2016 alone, almost 40 percent were homicides. Guns killed nearly 2,400 children 18 or under that year.

"God didn't call America to do what she's doing in the world now. God didn't call America to engage in a senseless, unjust war as the war in Vietnam. And we are criminals in that war. We've committed more war crimes almost than any nation in the world, and I'm going to continue to say it. And we won't stop it because of our pride and our arrogance as a nation."

Dr. Martin Luther King, Jr., Feb 4, 1968, The Drum Major Instinct

Section VI: The Human and Moral Costs of the Wars— And What Comes After

Today, as in 1968, the Pentagon does not drop bombs on ideas like "terrorism" or "communism." It drops bombs on cities, it kills children and families, nearly all of them people of color, in countries around the world, and puts our own troops in harm's way. The numbers of those civilian casualties continue to rise, despite shifts in amounts and types of U.S. troops and tactics used. According to the United Nations, civilian deaths in Afghanistan reached a record high number during the first nine months of 2017 than during the same period in 2009 when the counting began. The UN found a 52 percent increase in civilian casualties from air strikes compared to the same period in 2016. The UN also expressed particular concern about casualties among women and children caused by air strikes, noting that "women and children comprised more than two-thirds—68 percent—of civilian casualties from aerial attacks."

As to the U.S. war against ISIS, between April 2016 and June 2017, a *New York Times team* conducted the first systematic, ground-based investigation of airstrikes in Iraq since the latest military action in the country began in 2014. They found that the coalition strikes had been much less precise than the military claimed, with deadly results. One in five of the coalition strikes identified resulted in civilian death, a rate more than 31 times that acknowledged by the coalition. According to the report, "In terms of civilian deaths, this may be the least transparent war in recent American history."

A U.S. colonel famously said in Vietnam, "we had to destroy the village in order to save it." Today, as can be seen in places like Raqqa in Syria and Mosul in Iraq, the U.S. military is destroying entire cities, killing thousands, and dispossessing millions, in the name of liberating them from ISIS or other enemies. According to the United Nations, in 2016, 65.6 million people around the world had been forced to flee violence, war, and persecution. Many remained in their home countries, struggling to find safety somewhere, perpetually displaced. Many others sought refuge in other countries. In 2016 there were nearly 22.5 million such international refugees, more than half of them children.

The streams of desperate people seeking refuge across the sea or around the world have become a flood. In the United States more than anywhere else, those people have been met with racist attack, xenophobic rejection, and three Muslim bans. In the first years of the Syrian war, from 2011 to 2014,

the U.S. admitted only 172 Syrian refugees. The numbers went up in 2015-16, but the total for both years was still under 15,000. When the Trump administration came into office and announced a series of Muslim bans, Syrian refugee admissions along with entry of all people from various Muslim-majority countries virtually collapsed.

Refugee flows resulting from U.S. wars are not a new phenomenon—and public opposition to refugees, often rooted in racism and xenophobia, is not new either. But government policy did not always encourage or follow public opposition in the past. After the Vietnam War, a refugee crisis emerged as well. Just days after the end of the war in May 1975, polls showed only 37 percent of Americans supported admitting refugees from Washington's war, while 49 percent opposed. But the U.S. government nevertheless immediately allowed in 130,000 refugees, mainly supporters of the U.S.-backed South Vietnamese government and military. By the end of the decade, with tens of thousands of new Vietnamese, Laotians, and Cambodians on the move seeking refuge, the U.S. began accepting 14,000 every month, twice the earlier limit. Most Americans—62 percent— opposed allowing them in. Despite the public opposition, over the next decade almost 600,000 Southeast Asian refugees were admitted. The job of the U.S. military at that time was to arrange the settlement of the refugees, not to keep them out of the United States.

Resettling Refugees

Col. Ann Wright, a former acting ambassador and State Department official and before that a high-ranking military officer, was in charge of resettlement of Vietnamese refugees in 1975. She is also with Veterans for Peace and CODEPINK Women for Peace. She remembers that, "Just as the war was ending, I was recalled to active duty in the military to oversee one of the three large refugee centers set up at U.S. military bases—Camp Chaffee in Arkansas. We were told to prepare to receive over 300,000 Vietnamese and other Indochinese refugees in just six weeks. (A total of 130,000 arrived during those first weeks.)

"We had a continuous population of 30,000 refugees at Fort Chaffee. We had World War II barracks quickly renovated to house family units. We washed out the old huge mess halls to begin cooking for thousands of people. Tons of rice and tons of cabbage, carrots and onions arrived weekly, and we provided cots, sheets, towels, and baby diapers. There were no laundry facilities big enough for such a volume of laundry in that part of Arkansas, so we sent it by helicopter to Fort Sill, Oklahoma.

"The complicated logistics were done mostly with a clipboard and pencil—no computers yet.
I was in charge of buying winter clothes for the refugees that were remaining in the camps after September. I went to Sears to get catalogs to determine what types of clothes we would get and then attempted to see where we could order them in such huge numbers. The only company that still had enough winter clothes in their inventory was the military post exchange international, which brought clothes back from Europe for us to give to the refugees for the coming winter.

"Some of the most poignant moments were watching older Vietnamese standing at the fences to meet buses coming from the airport, watching everyone get off the buses to see if they could spot family members from whom they had been separated in the massive chaos of the war's end. The job of the U.S. Army at that time wasn't to keep people out, but to work hand-in-hand with international and national refugee organizations to help move people quickly through the camps and get them to communities that were waiting to welcome them to their new homes."

Meanwhile, poor people around the world continue to pay a huge price for U.S. wars. During U.S. military actions abroad cities, countries and whole populations suffer, while stoking greater anger and encouraging the recruitment of new generations of anti-U.S. fighters. Even in the earliest years of the Global War on Terror, U.S. military officials recognized that military invasion and occupation created more terrorism than it ended. Just two years into the occupation of Iraq, a senior official of the U.S. National Intelligence Council acknowledged that the war had already become "a training and recruitment ground, and an opportunity [for terrorists] to enhance their technical skills."

The wars also perpetuate racism, as soldiers are trained to view all inhabitants of the war theater as their "enemy," and racist campaigns at home are designed to build public support for what "our troops" are doing to "them." According to Michael McPhearson, Executive Director of Veterans for Peace, who fought in the 1991 Gulf War, "You grow up being taught that killing is wrong. Then you're also taught that there are certain people who need to be killed." McPhearson continues to describe the moral crisis this creates among military service members: "When you find out that what you've been taught about people in foreign lands or people in other places is not true, when you find out that the same economic or social forces that are impacting your community, whether it be that you are a Black person or a poor person or whatever, are also impacting those people's communities, and that you really have a lot more in common with them than not, then you realize that a lot of the policies that you're helping to underpin and forward are not good for your community nor the people that you're sent to fight....You realize that you're not really standing on stable moral ground as a soldier. And I do believe that there's something called moral injury. We've talked about post-traumatic stress, but people come back home and they come to these realizations. It is hard to reconcile. So then you have to speak up. You have to if you really want to follow a moral path and follow what you've been taught as a child. You really have no choice but to speak out and resist."

During the U.S. wars in Iraq and Afghanistan, troops often faced the loss of that "moral path." In the 2008 Winter Soldier: Iraq and Afghanistan hearings sponsored by Iraq Veterans Against the War, former Marine machine gunner Jon Michael Turner testified that "On April 18, 2006, I had my first confirmed kill. This man was innocent. I don't know his name. I called him 'the fat man.' He was walking back to his house, and I shot him in front of his friend and his father. The first round didn't kill him, after I had hit him up here in his neck area. And afterwards he started screaming and looked right into my eyes. So I looked at my friend, who I was on post with, and I said, 'Well, I can't let that happen.' So I took another shot and took him out. He was then carried away by the rest of his family. It took seven people to carry his body away. We were all congratulated after we had our first kills, and that happened to have been mine. My company commander personally congratulated me, as he did everyone else in our company. This is the same individual who had stated that whoever gets their first kill by stabbing them to death will get a four-day pass when we return from Iraq." Turner began his searing testimony by stripping his medals and ribbons from his chest and tossing them away.

While many veterans are able to find spaces of resistance or otherwise address this moral crisis, others are unable to manage on their own, falling into substance abuse and patterns of violence against themselves and their families. This has escalated into a suicide epidemic in the military. In 2012, a disturbing trend emerged where suicide was claiming more military deaths than military action. More than half of these were in the Army. This precipitated a comprehensive report by the Veterans' Administration on suicide among U.S. veterans. The study found that in 2014, the risk of suicide among veterans was 22 percent higher than among U.S. civilian adults. By September 2017, the VA was still reporting an average of 20 veterans dying by suicide each day.

A Soldier's Heart

Jacob George, a farmer from Arkansas, served as a paratrooper in Afghanistan and a peace activist who co-founded Afghan Veterans Against the War Committee. He composed the song "Soldier's Heart" about the moral injustice facing veterans:

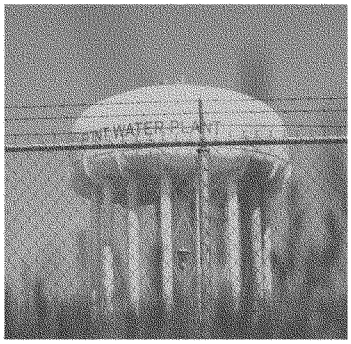
Now, I'm just a farmer from Arkansas.
There's a lot of things I don't understand,
Like why we send farmers to kill farmers
In Afghanistan.
Now I did what I was told
For my love of this land,
And I come home a shattered man
With blood on my hands.
And now I can't have a relationship,
I can't hold down a job.
Oh, while some may say I'm broken,
I call it a soldier's heart.
Because every time I go outside,
I've got to look her in the eyes,
Oh, and knowing that she broke my heart,
And turned around and lied.
Oh, I said red, white and blue,
I trusted in you,
And you never even told me why.

Jacob George ended his life in 2014 after learning that the U.S. would be escalating its military efforts against ISIS.

WE MUST MAKE IT CLEAR THAT WE ARE CONCERNED ABOUT THE SURVIVAL OF THE WORLD.

— THE REV. DR. MARTIN LUTHER KING, JR., DECEMBER 1967

ECOLOGICAL DEVASTATION



WHEN THESE CORPORATIONS ARE IN CONTROL OF WATER, THEN NO ONE IS GOING TO BE ABLE TO HAVE ACCESS TO IT. THEY TAKE IT OVER IN POOR COMMUNITIES FIRST, BECAUSE THEY FEEL THERE WILL BE LESS RESISTANCE AND THE POOR DON'T HAVE AS MUCH OF A VOICE. BUT ULTIMATELY, WHAT THEY ARE TALKING ABOUT IS SINISTER AND IT'S GOING TO IMPACT EVERYBODY.

- CATHERINE FLOWERS, ALABAMA CENTER FOR RURAL ENTERPRISE, 2018

This chapter provides a critical piece of the narrative that was not at the forefront of political consciousness at the time of the 1968 Poor People's Campaign. The U.S. political and economic system is not just based on systemic racism, poverty, and a militarized war economy. It also allows corporations to profit from the destruction of Earth's vital life support systems. It allows the fossil fuel, chemical, and other industries to poison the air, water, and land humans depend on to live healthy lives—or to live, period. And those people and communities who are experiencing racism, poverty, and a militarized society have borne the brunt of the pollution that is the inevitable consequence of the elevation of profit over people and planet.

To put things in global perspective, worldwide, pollution caused an estimated 9 million premature deaths (16 percent of all deaths) in 2015. According to the Lancet Commission, this was "three times more deaths than from AIDS, tuberculosis, and malaria combined and 15 times more than from all wars and other forms of violence." Water pollution alone is responsible for 1.8 million deaths worldwide every year. While poor countries are the worst affected, pollution-related illnesses are most prevalent among the poorest and most marginalized people in all countries.

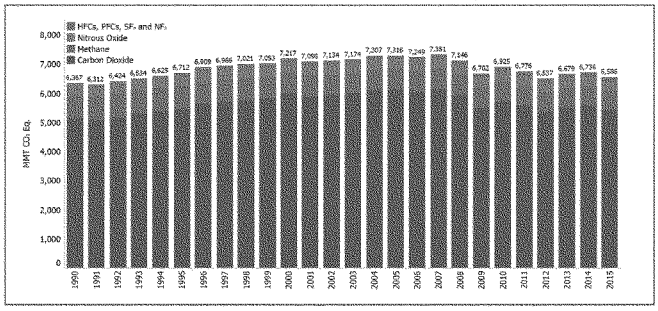
Constraints of time and space have not permitted coverage of all of the intersections of environmental injustices with race, poverty, and the war economy/militarism. This chapter discusses some critical intersections that help understand how environmental devastation is intertwined with race, class, gender, and other inequalities, and with the militarization of the U.S. economy and society.

Section I: Greenhouse Gases

Scientists have known for decades that human activities, particularly the use of fossil fuels such as coal, oil, and gas, are warming the planet. In spite of knowing the risks, political leadership has dragged its feet on implementing solutions. U.S. greenhouse gas (GHG) emissions peaked in 2007, 19 years after NASA scientist James Hansen warned Congress on their impact. This reveals how little priority our political leadership attaches to an existential threat that, for now, mostly impacts poor people, people of color, and people in the Global South. And it shows the political clout of the fossil fuel industry, which has effectively captured the U.S. political system and prevented the kind of drastic action the country should have taken long ago to prevent the crisis of climate change from escalating to the level it has reached today.

Figure 4.1

Historical Trend of U.S. Greenhouse Gas Emissions, 1990-2015

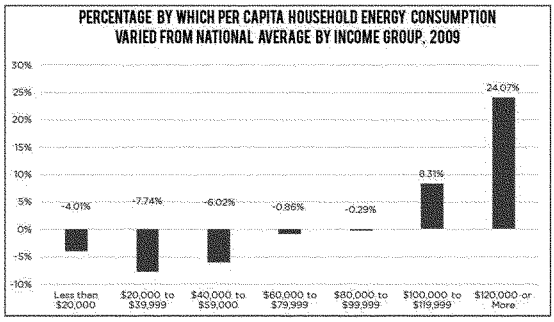


Source: Environmental Protection Agency.

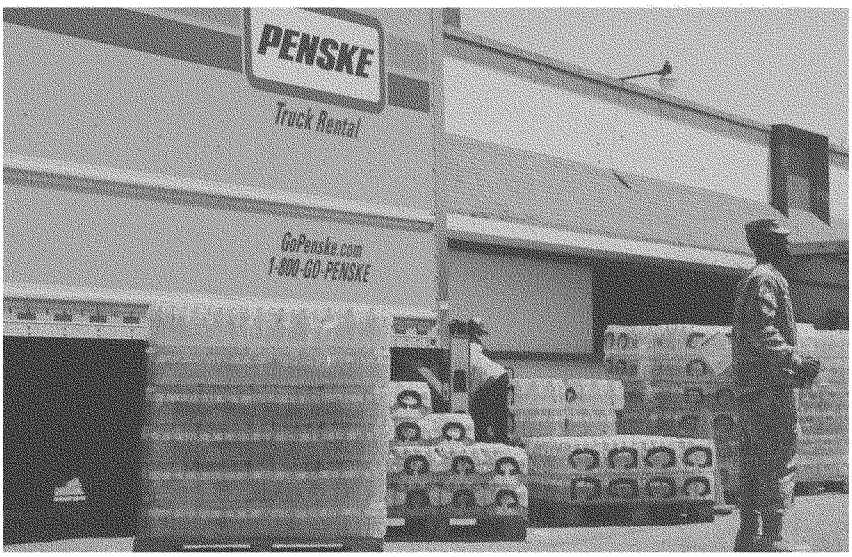
The political power of the fossil fuel industry and the consequent governmental inaction on climate change are a vivid illustration of how racial, economic, and other forms of inequality are *structural* and *institutionalized* in the U.S. political system. Only a system rooted in inequality would allow a wealthy elite to profit from a business model that threatens the future of most of humanity, including marginalized populations in this country. In that sense, climate change is caused by systemic economic, social, and political inequality. Likewise, the effects of climate change, such as water scarcity in some regions and superstorms and floods in others, extreme heat, and sea level rise, have unequal impacts.

The people who suffer the most from the effects of climate change contribute the least to its causes. Figure 4.2 below illustrates that, on average, low-income households in the U.S. consume much less energy per capita than high-income households, and are therefore responsible for less greenhouse gas pollution.

Figure 4.2



Source: Energy Information Administration



A Multiplier of Injustice, an interview with Jacqui Patterson, Director of the NAACP Environmental and Climate Justice Program

As someone with a long history in movements for environmental justice, what is your view on the long-term trends in community responses to ecological damage in the U.S.?

Historically, communities assailed by environmental injustice, such as polychlorinated biphenyls (PCBs) or industrial hog farming, were fighting their own battles without support from "environmental groups." Even though these were environmental crises, you have a history of environmental groups working on more traditional "conservation," and not working with these communities.

Over time these groups have come together a bit more, which can sometimes be positive, as we saw with the nationwide solidarity with the water struggle in Flint, Michigan. (See box on Flint water crisis.)

We've also seen the objectification of the struggles of frontline communities, by groups that sometimes have other interests. Let's say a large environmental organization wants to reduce greenhouse gases, and there's a facility emitting greenhouse gases and other toxins that are harming a community, and the organization rallies the community against the facility, and then reaches a "deal" to close down the facility in 5 years. So for 5 more years, the facility emits more cancer-causing chemicals and more people die. Meanwhile, the organization gets to check a box to say there is an "announced retirement" for the plant to satisfy their funder.

You often describe climate change as a multiplier of injustice. Can you elaborate on that?

Take the injustice of oil refineries being right in the middle of Latinx and Black communities in Houston, so already you have these toxic conditions that folks are living under, and then you have Hurricane Harvey coming through and really causing double jeopardy for those communities. Because of the hurricane, those toxins are everywhere and a lot more invasive. Likewise, communities already facing unemployment have more to lose when a disaster harms the infrastructure, and the jobs that are most insecure are the ones that aren't going to bounce back. So you have people already living in poverty and then a disaster happens and exacerbates the situation.

Part of the premise of the Poor People's Campaign: A National Call for Moral Revival is to connect poverty, racism, the war economy/militarism, and environmental devastation. The intersections of environmental injustice and poverty and race are well documented. What are the connections between the war economy/militarism and environmental injustice?

A good illustration is how nuclear weapons plants are located disproportionately in communities of color and low-income communities. The nuclear weapons plant in Savannah, Georgia, emits radio-nuclides which are disproportionately impacting Black women because of being an endocrine disruptor. Whether it's the ways we are producing weapons or the wars that have roots in resource conflicts around energy, water, etc., we see militarism and environmental injustice being linked.

Section II: The Water Crisis

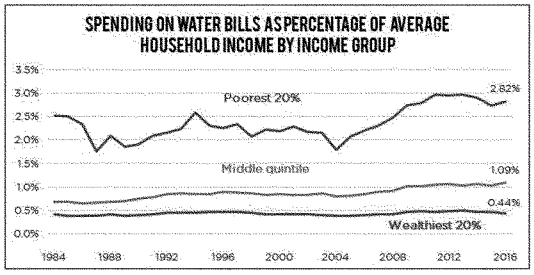
Water has become a critical measure of justice and equity in the United States today, both as an essential resource for human survival and as a threat to human life and property. Poor people face crises of water affordability, water pollution, and in some parts of the country, water scarcity exacerbated by climate change. Meanwhile, in some parts of the country, poor people and people of color face the worst impacts of ongoing sea level rise caused by climate change, as well as catastrophic events like hurricanes and flooding also partly attributable to climate change.

Our economic and political system makes even a necessity such as water unaffordable, inaccessible, and unsafe for millions, for the benefit of privatization profiteers and polluters. It also exposes millions to the risks of water scarcity in some regions, and flooding in others, for the benefit of the fossil fuel industry. The short-term profits of the wealthy and powerful are prioritized over the long-term needs of communities by design.

Affordability and Accessibility of Safe Water

The poorest 20 percent of U.S. households on average spend 2.8 percent of their income on water bills, up from 2.5 percent in 1984 (Figure 4.3). The wealthiest 20 percent spend approximately 0.4 percent of their income on water bills, which has remained essentially unchanged since 1984. The United Nations recommends that, in order to remain affordable, water rates do not exceed 3 percent of household income. However, one study found that 13.8 million low-income households (constituting 11.9 percent of all U.S. households) already spend more than 4.5 percent of their income on water, and the share of U.S. households with unaffordable water bills could triple in the next five years if current projections are unchanged.

Figure 4.3



Source: Bureau of Labor Statistics, Consumer Expenditure Survey

These national trends come with unjust local impacts, for example in Baltimore, Maryland. The average annual residential water bill of $787.58 in Baltimore today is more than twice the 2009 level ($347.28). Rates are projected to continue increasing such that, by 2022, the average residential bill will be more than three times the 2009 level.

To make matters worse, the Baltimore water utility's response to this crisis of affordability makes the situation more inequitable. In 2015 and 2016, the utility shut off water to about 6,600 households, impacting more than 16,000 people, and sold tax liens for about 1,700 homes because of unpaid water bills. A tax lien sale is a process where a city sells the right to collect delinquent taxes or other unpaid charges to private parties in an auction, and the private parties then have the right to file a foreclosure lawsuit to collect the unpaid charges. The city's water bill collection practices are thus directly contributing to foreclosures and homelessness.

Water shut-offs are a disturbing trend unfolding across the country. In Detroit, 27,000 households were disconnected from water service in 2014 for having unpaid bills, drawing criticism from the United Nations Special Rapporteurs for the Human Right to Water and Sanitation and for the Right to Adequate Housing. As Valerie Jean, a mother of five, grandmother of two, and member of Michigan Welfare Rights Organization describes this broadening crisis, "It was one thing to know that you didn't have water and you couldn't afford your water. It's a whole other to find out they shut off your entire community and none of you matter."

While Detroit continues to experience a 12 percent water shut off rate across the city, other parts of the country are faring even worse. According to Mary Grant of Food and Water Watch, some communities in Louisiana and other parts of the south are facing shut off rates of 20 percent or more. Disconnection of water service has been shown to have serious public health impacts, including a higher incidence of acute gastrointestinal illness.

The driving force behind these shut offs are municipal budget deficits that have been prompted by the politics of austerity and privatization. A 2017 report also found that federal assistance to local water systems had fallen 74 percent in inflation-adjusted terms since its peak in 1977, even as pipes are aging and infrastructure investment needs are rising. This leaves water utilities in the difficult position of choosing between not making the needed investments, or making the investments and raising rates to recover costs. The problems are more acute in economically depressed areas where a combination of low household incomes and declining populations reduce revenues from ratepayers, worsening the financial picture for water utilities.

Sometimes, utilities under financial pressure are pushed to privatize their water systems in response, in the mistaken belief that an injection of private capital will solve the underlying problems. However, private water utilities have a strong financial incentive to raise rates even as they reduce costs by providing inferior service. Large privatized water systems, on average, charge 59 percent more per unit of water than large publicly owned systems. These costs are falling disproportionately on low-income households and create a system of regressive user fees for water services.

Poor rural communities face the additional problem of often lacking access to piped water and sewage systems in the first place. A 2016 study shows that, while only about 0.5 percent of the U.S. population lacked access to complete plumbing, the corresponding percentages are 0.45 percent for White people, 0.78 percent for Black people, 1 percent for Native Hawaiians and other Pacific Islanders, and 2.89 percent for Native Americans and Alaskan Natives. Of the top 20 counties in the U.S. by percentage of households lacking access to complete plumbing, 13 counties had a majority Native American or Alaskan Native population. Fourteen of these counties had 10 percent or more of the population lacking access to complete plumbing. The worst affected areas were all rural, and on average, the percentage of rural households without access to plumbing infrastructure was twice the percentage of urban households without access.

An ongoing public health crisis in rural Lowndes County, Alabama, has brought national attention to these inequalities in access to water and sanitation. Lowndes County has a median household income of $27,914 (little more than half the U.S. median household income of $55,322) and is 74.6 percent Black.

Lowndes County native Catherine Flowers, a military veteran and founder of the Alabama Center for Rural Enterprise, estimates that 80 percent of the county's residents do not have access to public sewage systems and have to dispose of their own sewage. In some cases, they are legally required to do so. However, according to Flowers, a septic tank system can cost up to $15,000, which is unaffordable for many county residents. These residents often resort to directly piping sewage from their homes and dumping it in open pools outdoors, often in close proximity to their homes. During heavy rains—a phenomenon that will become more prevalent in the American Southeast with climate change—sewage backs up into people's houses. Because septic tanks can overflow and back up during heavy rains as well, even households that can afford them are not always better off.

Besides the daily indignity of living with constant exposure to raw sewage, Lowndes County residents face greater risk of disease as a result of the lack of sanitation. A recent study shows that hookworm, a parasite associated with poor countries in the Global South and thought to have been eradicated in the U.S., has reappeared in Lowndes County.

Philip Alston, the UN Special Rapporteur on Extreme Poverty, visited Lowndes County last year to document the incidence of extreme poverty in one of the world's richest countries. His preliminary findings report that: "In Alabama, I saw various houses in rural areas that were surrounded by cesspools of sewage that flowed out of broken or non-existent septic systems. The State Health Department had no idea of how many households exist in these conditions, despite the grave health consequences. Nor did they have any plan to find out, or devise a plan to do something about it. But since the great majority of White folks live in the cities, which are well served by government built and maintained sewerage systems, and most of the rural folks in areas like Lowndes County, are Black, the problem doesn't appear on the political or governmental radar screen."

Another particularly dangerous water safety issue is lead contamination. Children can ingest lead from various sources, including drinking water as well as lead paint and contaminated soil. Lead exposure is unsafe for children at any level and even low levels can harm brain development. According to the CDC, at least four million families with children are being exposed to high levels of lead and approximately half a million U.S. children under six have blood lead levels above the level at which CDC recommends public health actions.

The Flint Water Crisis

In 2014, the city of Flint, Michigan, was under the control of an unelected "emergency manager" when the city decided to switch its water source from the Detroit Water System to the Flint River. This move poisoned the city, a community of almost 99,000 with a 42 percent poverty rate and in which 54 percent of residents are Black and 40 percent White.

Flint residents have struggled for decades with the human costs of deindustrialization and divestment, which have undermined the city's physical infrastructure and tax base. Like many U.S. cities, Flint has a legacy of lead piping and soldered lead joints in its water system. Nationwide, the prevalence of lead pipes is unknown, but estimated to be widespread.

The Flint River was also highly polluted, and Flint authorities failed to treat the water properly by removing contaminants and adding anti-corrosive agents. Consequently, pollutants in the water corroded the pipes, leaching lead into the water.

Shortly after switching water sources, General Motors (GM) complained that the water was rusting its car parts. GM was permitted by the city to return to the Detroit Water System. However, when Flint residents complained about foul odor and taste, as well as suspicious behavioral and health problems, the authorities dismissed their complaints. It took a year and a half for authorities to acknowledge that there was a problem with the water and switch back to using Detroit water. Adding insult to injury, the City of Flint sent thousands of residents disconnection notices for unpaid bills for poisoned water.

The fact that Flint is a poor, majority Black city and under Emergency Management rather than democratic representation evidently made its residents' concerns easier for authorities to ignore.

Emergency management forces cities to prioritize balanced budgets and repayments to Wall Street lenders over human lives. It neutralizes democratic processes, and ignores local impacts of public policy. (See section on Coastal Impacts below for similar policies forced upon Puerto Rico.) Under emergency management in Flint, saving money outweighed the environmental destruction of a city and the poisoning of its residents. Rather than empowering families already denied equal opportunity, emergency management concentrates the costs of decades of divestment onto them, as well as the water they drink, the air that they breathe, and the land that they live on. As Claire McClinton from the Flint Democracy Defense League says, "They could not take our water away without taking our democracy first."

In the wake of these multiple crises, Flint residents began organizing on the ground. Water You Fighting For and the Flint Democracy Defense League were prominent voices in this resistance force, which articulated three demands: extending Medicare for all people impacted by the water crisis, eliminating the office of the Emergency Manager in Flint, and declaring the city a disaster zone to access more federal funds to replace their water system.

Water Pollution

Mainland Gas and Oil Production and Transportation

While there is failing infrastructure in poor cities and counties across the country, there has been a boom in infrastructure to support oil and gas production and transportation. Fracking, the process whereby water, sand, and chemicals are injected into rock formations to extract natural gas and oil, has become widespread in the past 15 years. Fracking has in fact driven U.S. domestic oil and gas production. Total U.S. natural gas production grew only 3.7 percent between 1970 and 2007, but then grew 34.5 percent from 2007 to 2017. Because of this fracking boom, the United States is now the world's largest producer of both oil and natural gas.

This has come at an immense cost to the environment and to exposed populations. Fracking uses large quantities of water—up to 13 million gallons per well in the Eagle Ford region of Texas—a major concern in regions where freshwater is scarce and likely to become even more scarce due to climate change. Fracking also contaminates both groundwater and surface water. Proximity to fracking wells is associated with negative health effects, including congenital heart defects, high-risk pregnancies, premature births, asthma, cancer, and neurological illnesses. It also releases large quantities of methane, a more potent greenhouse gas than carbon dioxide.

The dangers of fracking have been well-known for some time, but "regulatory capture" by oil and gas interests enabled fracking to grow unchecked. Congress and the EPA ignored evidence of fracking-related water contamination from independent scientists and EPA whistleblowers and exempted fracking operations from a number of environmental laws.

More generally, the pipeline infrastructure required to transport oil and gas that is produced in the U.S. poses serious threats to the climate, water quality, and public health, through leakage as well as catastrophic spills. Between 1998 and 2017, there were 5,712 significant oil and gas leaks or ruptures on U.S. pipelines, causing 307 fatalities, injuring 1,263 more, and costing $8.0 billion in damages. These incidents also released toxic chemicals in soil, waterways, and air. The proximity of pipelines to freshwater sources is particularly dangerous, since leaks of pollutants into water can spread large distances and affect drinking water sources for downstream communities. For example, a 2010 oil pipeline spill in Michigan carried pollutants 35 miles downstream on the Kalamazoo River and resulted in the water treatment system for the Village of Romeoville, Michigan, being shut down temporarily because of water safety concerns. Research has shown that groundwater contamination from pipeline spills can persist for decades.

Pipelines also often pass close to low-income communities and communities of color, including Native American nations. This has led to historic protest movements opposing the controversial Dakota Access and Keystone XL pipelines, which have evolved into broad movements demanding indigenous sovereignty.

The Dakota Access Pipeline (DAPL) is a planned pipeline with a capacity of 570,000 barrels a day, intended to carry oil extracted through fracking in North Dakota. Studies indicate that this oil may be more volatile than most crude oil, and therefore more susceptible to explosion and fire risk.

Initially, plans for the pipeline had it passing through Bismarck, North Dakota, a town that is 91 percent White and has a median household income of $60,320, greater than the U.S. median household income of $55,322. The U.S. Army Corps of Engineers decided to reroute the pipeline next to the Standing Rock Sioux Nation, where the poverty rate in the Standing Rock Sioux Nation was 43 percent in 2012, or almost three times the rate for the U.S. as a whole.

The adverse impacts of the pipeline on the people of Standing Rock extend beyond measurable economic and ecological impacts to encompass issues of indigenous sovereignty, religious freedom, and cultural self-determination. The pipeline route traverses areas sacred to the Sioux peoples, "rich in history," and "rich in cultural and religious significance," according to a court filing. However, as the Tribal Government explains in the court filing, the Corps of Engineers process for determining the impact of the pipeline construction on historically and culturally significant sites excluded members of the Tribe from meaningful participation. Repeated attempts by the Tribal Government to intervene in the process were ignored. The U.S. government's actions fit into a long pattern of intentionally depriving indigenous peoples of their rights.

At the same time, there are grassroots and indigenous connections being made across the geography of these pipelines. The path of the DAPL crosses from North Dakota through the Midwest to the Gulf Coast of Louisiana. There, indigenous community members and activists have attempted to block this last leg of the DAPL by purchasing a swath of land along the proposed route of the pipeline. Cherri Foytlin is an indigenous environmental activist from Louisiana and mother of five who has been working with communities along the Gulf Coast from Florida to Texas. As she explains, "This pipeline will go through Bayou Lafourche, which provides drinking water for at least 300,000 people, including the United Houma Nation. Also, a band of the Biloxi-Chitimacha-Choctaw Tribe that live on the Isle de Jean Charles are the first domestic climate refugees. Native American communities are getting pushed to the end of the earth in Louisiana. They're losing their culture again. People can't do what they grew up doing, they are no longer free. We bought 11 acres of land that we're hoping the pipeline will try and run through. We're committed to holding that space and banding together with others who are having their land expropriated."

Offshore Oil Drilling and Spills

Offshore drilling presents a separate and grave threat to coastal communities through catastrophic oil spills. Between 1964 and 2015, there were 2,441 spills from offshore oil drilling operations in U.S. territorial waters, discharging almost 5.2 million barrels (218 million gallons) of oil. Of these spills, 17 were of 1,000 barrels or more. The 4.9 million barrel Deepwater Horizon "BP oil" spill off the coast of Louisiana in 2010 was responsible for almost 95 percent of all oil spilled in all U.S. offshore drilling operations between 1964 and 2015. It was also the largest oil spill in the entire history of offshore oil drilling worldwide.

The spill started with an explosion, killing 11, on British Petroleum's Deepwater Horizon drilling platform on April 20, 2010, and was not successfully capped until July 15, 2010. The 87-day period that it took to finally cap the well shows the inherent risk in offshore oil operations. In its 2011 report to the President, the National Commission on the BP Deepwater Horizon Oil Spill and Offshore Drilling observed, "The technology, laws and regulations, and practices for containing, responding to, and cleaning up spills lag behind the real risks associated with deepwater drilling into large, high-pressure reservoirs of oil and gas located far offshore and thousands of feet below the ocean's surface."

Ecosystem impacts of the spill included death and impairment of large numbers of fish, birds, and other ocean life, and massive coral bleaching (a precursor to coral reef collapse). Between 600,000 and 800,000 birds died, and migratory pelicans took the toxic residues with them all the way to Minnesota. As the oil slick washed up on shore, beaches and wetlands were damaged.

The spill also had serious public health impacts on emergency response and cleanup workers, and on coastal communities more generally. Initially, cleanup workers were not provided with personal protective equipment guidelines, and up to 50,000 workers were exposed to chemicals that damage lung tissue.

Economic impacts on fishing and tourism dependent communities are estimated to reach $8.7 billion by 2020, costing 22,000 jobs. At its peak, the National Oceanic and Atmospheric Administration (NOAA) closed as much as 37 percent of the Gulf fishing zone because of toxicity concerns, seriously affecting the livelihood of people dependent on fishing, shrimping, and oyster farming. A large segment of the Gulf Coast fishing community are immigrants from Vietnam and Cambodia. Native American communities such as the United Houma Nation also faced a disproportionate impact from the loss of fishing livelihoods.

Seen in this light, the U.S. government's recent decision to allow offshore oil drilling along about 90 percent of U.S. coasts is nothing short of reckless. The offshore drilling plan highlights once again how private profit often overrides every other consideration in government decisions.

Coal Ash Spills

Another serious water pollution impact from the fossil fuel life cycle is the threat of toxins from coal ash, the solid residue from coal combustion, entering surface water and groundwater. Coal ash contains heavy metals and other carcinogenic pollutants, and is stored in surface pits or ponds.

The Sierra Club estimates that there are 1,100 coal ash sites throughout the U.S., and power plants produce about 140 million tons of coal ash a year. The toxins from coal ash can gradually leach into water bodies and groundwater, or get released in catastrophic spills, both of which pose threats to water quality.

A particularly egregious coal ash spill with long-lasting effects occurred in Martin County, Kentucky, a rural county with a median household income of $29,052, which is barely more than half of the nationwide median household income. Martin County is facing a water emergency that has been escalating since a massive coal sludge spill by the Massey Energy Company in 2000. Massey was fined $5,600 for the spill, amounting to less than 2 cents for every 1,000 gallons of coal sludge that was spilled. Meanwhile, residents have experienced water outages, low water pressure and discolored water that smells of chemicals or sewage for years. In January 2018, some households were without water for nearly three weeks. Despite the widespread poverty, the Martin County Water District is proposing a 49.5 percent rate hike. The current as well as the proposed rate structure charges commercial users less per gallon than what households pay for failing water service.

Massey Energy, the company responsible for the spill, is no stranger to controversy. It operated the Upper Big Branch Mine in West Virginia, where a 2010 explosion took the lives of 29 miners, making it the worst mine disaster in decades. Federal investigators had charged the company with safety violations numerous times, but evidently, the company found it cheaper to cut corners on safety. The CEO of Massey Energy, Don Blankenship, was convicted of conspiracy to willfully violate mine health and safety standards and sentenced to one year in jail and a $250,000 fine—a small price to pay for knowingly endangering lives to save money.

In an illustration of the grotesque inequalities in our political system, a completely unrepentant Blankenship is now running for the U.S. Senate in West Virginia.

Superfund Sites

The long history of environmentally destructive practices in the U.S. has left a legacy of severely contaminated sites. In 1980, Congress enacted the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA), commonly known as Superfund, mandating a process for remediation of the most severely contaminated sites.

The residual contaminants from these historically polluted sites are mostly found in the soil, surface water, and groundwater. Toxins in groundwater, in turn, can migrate into surface water, and impact the safety of drinking water.

The demographics of the population living in close proximity to these Superfund sites shows how environmental contamination intersects with racial, economic, and other forms of inequality. A 2015 EPA analysis found that the population within three miles of highly contaminated "Superfund" sites was 45.7 percent non-White, significantly higher than their 36.7 percent share of the U.S. population. Families in which the adults speak limited or no English made up 12.3 percent of households within three miles of the sites, compared to just 8.6 percent in the U.S. population as a whole. While people of color are disproportionately exposed relative to their share of the overall population, the population within three miles of Superfund sites is still majority White.

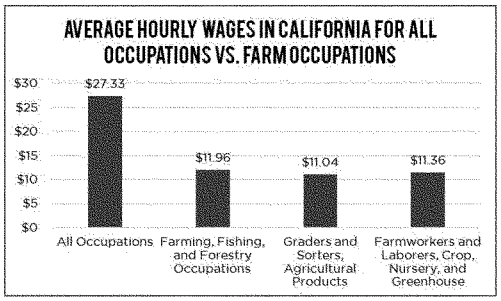
Water Scarcity

As the world warms, certain regions, including the Western United States, are experiencing water scarcity and facing a longer-term threat of "chronic, long-duration hydrological drought."

Water scarcity has devastating socioeconomic impacts, particularly on rural communities with an agriculture-dependent economy. One study estimated that the 2015 California drought caused losses of $2.74 billion and cost nearly 21,000 jobs, accounting for both direct impacts on agriculture and indirect impacts on other sectors (for example, industries that provide goods and services to agriculture). The direct agricultural jobs impact alone was about 10,100 jobs, almost 5 percent of California's employment of 215,000 in agricultural occupations.

The average hourly wage of all agricultural workers in California, and of the two largest agricultural occupations, are compared to statewide average hourly wage for all occupations in Figure 4.4. Job losses in agriculture affect low-wage workers who are least able to afford extended periods of joblessness.

Figure 4.4



Source: Bureau of Labor Statistics.

Hourly wages do not provide the full picture of farmworker poverty, because a majority of farm work is seasonal. Nationwide, about 60 percent of farmworkers are seasonal, and 23 percent have a family income below the Federal poverty threshold. Almost three-quarters (72 percent) of farmworkers are foreign-born, with 68 percent born in Mexico and 3 percent born in Central America. This low-wage, vulnerable, majority Latinx immigrant workforce will bear the brunt of loss of livelihoods from water scarcity in the Western U.S.

Coastal Impacts: Sea Level Rise, Storms and Floods

A warming world causes sea levels to rise, for reasons that include melting of land-based glaciers in the Arctic and Antarctic, and the thermal expansion of water. On average, the global average sea level has risen about 7-8 inches since 1900, and is expected to rise between 4 ft. and 8 ft. by 2100. A 2014 study estimates that 3.6 million people in the U.S. live in areas that will be submerged by a 4 ft. sea level rise, and 9.8 million people live in areas that will be submerged by an 8 ft. sea level rise.

Already, indigenous Alaskans are seeing their villages sinking into the sea, threatening their culture and way of life. These are low income communities, often without access to running water and flush toilets. In a telling sign of how such communities are treated by the U.S. political system, the federal government proposes eliminating the meager $19.9 million in funding to assist these communities with relocation and adaptation, even as it provides $20 billion annually in subsidies to the fossil fuel companies whose business model is literally drowning these ancestral lands.

A rising sea will also inevitably worsen the impact of catastrophic events such as hurricanes, since the resulting storm surges will extend further inland, affecting larger populations and more infrastructure. High rainfall and high wind speeds are a serious threat to human life and health, and to essential infrastructure. The intensity and frequency of hurricanes and the amount of associated rainfall are projected to increase in a warming world.

As with other environmental crises, the impacts are unequal in racial and income terms. When Hurricane Harvey hit Houston, the Exxon refinery in Baytown experienced storm damage leading to leaks of toxic chemicals. Of the two census blocks immediately adjoining the refinery, one is 87 percent non-White and 76 percent low income and the other is 59 percent non-White and 59 percent low income, according to the EPA. The stark racialized injustices perpetuated by the punitive immigration enforcement system were also in evidence during Hurricane Harvey. The Border Patrol continued to operate checkpoints on highways being used by people evacuating from the hurricane-affected zone, so undocumented immigrants had to choose between risking their lives or getting deported.

One of the gravest domestic human rights crises of 2017 was the impact of Hurricane Maria on Puerto Rico and the U.S. Virgin Islands. Almost the entire island of Puerto Rico lost access to electricity after the hurricane, and only 43 percent of the island's residents had access to electricity two months after the hurricane, a life-threatening situation for residents who rely on dialysis or oxygen. By way of comparison, about 85 percent of the world's population has access to electricity.

The loss of electricity shut down most hospitals and clinics, with only three major hospitals on the island functioning three days after the hurricane. The loss of electricity also shut down water and sanitation systems. The Federal response was excruciatingly slow, with the Federal Emergency Management Agency (FEMA) stretched thin by having to respond to multiple disasters (Harvey in Texas, Irma in Florida, and then Maria) in short order. It took a full week for FEMA to start delivering

fresh water to residents of the outlying islands of Vieques and Culebra. (Vieques was the site of a U.S. Navy live weapons testing range that has left a toxic legacy.)

As of October 1, two weeks after Maria, half of Puerto Ricans still did not have access to piped water, and by mid-November, 9 percent of the population (about 300,000 people) did not have their access to water restored. Many people were forced to rely on untreated water from rivers and lakes, increasing the risk of waterborne diseases. While disruption of operations at public health laboratories on the island have made it difficult to track the resulting spike in disease, there have been 121 cases of leptospirosis and four fatalities from it since the hurricane, compared to a usual rate of about 60 cases annually.

Internet access in Puerto Rico was nonexistent after the storm, making it impossible for people to communicate with loved ones in the midst of a crisis. It remains a problem for much of the island today.

The public health impact of Maria in Puerto Rico was compounded by a heat wave after the hurricane. Without electricity, residents had no access to air-conditioning, a dangerous situation for elderly people and people with health vulnerabilities. A New York Times analysis indicates as many as 1,052 people may have died as a result of the hurricane.

This disaster occurred against a pre-existing backdrop of disenfranchisement and inequality. The poverty rate in Puerto Rico is 43.5 percent compared to about 13 percent nationwide. Puerto Rico's median household income of $19,606 is barely more than one-third of the U.S. median household income of $55,322.

The delay in restoring essentials such as electricity and water is partly attributable to the poor state of the island's infrastructure, which has not been maintained over a decade worsened by Washington-imposed austerity policies that prioritize payments to lenders over the well being of Puerto Ricans. In 2016, Congress passed a bill called PROMESA that set up a financial control board to restructure Puerto Rico's economy to pay debts to Wall Street. But because Puerto Rico is effectively a colony of the United States, without voting representation in Congress and without the right to vote in Presidential elections, Puerto Ricans had no voice in the creation of this board, and it is not accountable to the Puerto Rican people. Jesús Vázquez of Organización Boricuá, a food sovereignty organization in Puerto Rico, says that, "the control board has a lot of power over us, including the power to eliminate environmental laws, and to sell public land to pay the debt."

Interview with Jesús Vázquez of Organización Boricuá de Agricultura Ecológica

Organización Boricuá works on food sovereignty and agro-ecology in Puerto Rico. It is a member of the international peasant movement La Via Campesina, and the Climate Justice Alliance. Jesús Vázquez describes the relationship between austerity measures, Hurricane Maria, and militarism in Puerto Rico.

"We import approximately 80 percent of our food. Before the hurricanes, we were already facing an economic crisis caused by bad government decisions, corruption, and hedge funds. The hurricanes have been a "crisis inside the crisis," lifting the veil on the pre-existing crisis. But we knew it was there, because we were living it constantly. We've become even more import-dependent because of damage from Hurricane Maria. Agroecological farms had less erosion because they preserved traditional peasant knowledge of how to make farms weather-resistant. For example, because of our African heritage we grow a lot of root vegetables. Before the hurricanes hit, farmers cut branches from those plants, leaving only a stick above ground, which resisted the winds and kept growing. So some farmers were harvesting food shortly after the hurricane. These small farms bounced back faster, but there's no government policy or incentive supporting them. The government supports conventional monoculture farming dependent on external inputs such as genetically modified seeds.

Since the hurricane, we've organized brigades where local activists and international solidarity delegations go to farms to work on the land and help restore the farms and also hold dialogues on issues facing us such as PROMESA, and workshops on agro-ecological practices."

He continues to describe the history of the military in Puerto Rico: "We were subject to the draft, and many Puerto Ricans fought and died in U.S. wars. There are also U.S. bases in Puerto Rico. Half the island of Vieques was used for bomb testing. After a big struggle, the base was closed. But the military left behind a lot of radioactive and other contamination, so the struggle isn't over yet. Vieques has high rates of poverty, unemployment, and cancer. The U.S. military as well as corporations have a history of using Puerto Rico as a testing ground. Agent Orange was first tested in the Puerto Rican rainforest before being sprayed in Vietnam. Biotech companies such as Monsanto and Bayer are using thousands of acres of the best farmland on the island to experiment on genetically modified seeds, even as Puerto Rico has a problem of food insecurity. They're also using a lot of chemicals like Roundup that have been demonstrated by the World Health Organization to be harmful for human health."

After disasters such as Hurricanes Harvey and Maria, communities are faced with the daunting task of rebuilding, which is inherently unequal—and not just because poor people have fewer resources with which to rebuild. Protection against property damage caused by disasters such as hurricanes is mostly available in the form of privately purchased homeowners insurance, and a disproportionate number of low-income people and people of color do not own their homes. Blacks make up just 9 percent of all homeowners and 21 percent of renters, while Native Americans constitute 0.8 percent of homeowners and 1.4 percent of renters.

Section III: Access to Clean Air

Access to clean air is an important indicator of environmental well-being, and low-income people and people of color are disproportionately more likely to have to breathe polluted air on a routine basis.

Polluting facilities such as coal-burning power plants and trash incinerators are disproportionately located in low-income communities with high concentrations of people of color, directly affecting their air quality. For example, combustion of fossil fuels leads to emissions of nitrogen oxides (NOx) and sulfur dioxide (SO.), both of which aggravate asthma and other respiratory conditions.

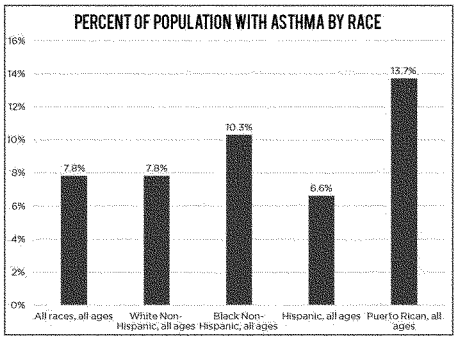
A 2017 report by the NAACP and the Clean Air Task Force documents concrete local examples of these disparities. A particularly egregious example is West Port Arthur, Texas, which has a 95 percent Black population and houses two large oil refineries. Some low-income public housing facilities directly touch the refineries, which routinely emit pollutants linked to cancer, birth defects, and reproductive disorders. EPA data identify West Port Arthur and the county in which it is located as among the worst areas nationally for toxic emissions. Black residents of West Port Arthur have a cancer rate 15 percent higher than the statewide average, and a death rate from cancer 40 percent higher than the statewide average. When Hurricane Harvey hit in 2017, West Port Arthur was one of the hardest-hit communities, again revealing how people who have contributed the least to climate change, while living daily with the adverse side effects of the extractive fossil-fuel economy, often pay the highest price for climate change impacts.

Siting disparities also exist in the location of mountaintop removal coal mining sites in Appalachia. A 2011 study found that the adult poverty rate in Appalachian counties with mountaintop removal mining was 25.4 percent in 2007, compared to a rate of 18.9 percent in the Appalachian region as a whole, and 15.3 percent in Appalachian counties without any mining operations. As noted in the discussion of Superfund sites earlier, while disparity of environmental impacts are in general highly racialized, this does not mean that low-income majority-White communities are safe from the effects of disparate toxic exposure. For example, the mountaintop removal affected community of Naoma, West Virginia, is 97 percent White.

Subsequently, a 2014 study found that the higher concentrations of particulate matter, an airborne pollutant produced during mountaintop removal, is linked to the increased incidence of cardiovascular disease, birth defects, cancer, and mortality in communities located near a mountaintop removal operation. Mountaintop removal mining also contaminates surface water with pollutants such as selenium, iron, and aluminum, and debris from mining has completely blocked over 2,000 miles of streams and headwaters that communities depend on for their drinking water.

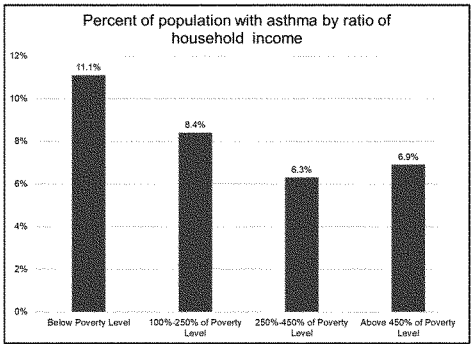
The unequal exposures to harmful environmental impacts by race and income outlined above manifest themselves in starkly unequal health outcomes for poor people and people of color. Asthma has a well established link to atmospheric pollutants.

Figure 4.5



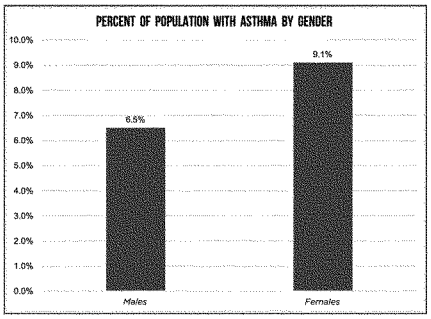
Source: Centers for Disease Control and Prevention.

Figure 4.6



Source: Centers for Disease Control and Prevention.

Figure 4.7



Source: Centers for Disease Control and Prevention.

The higher incidence of asthma among people of color and poor people leads to higher rates of hospitalization (3.4 times higher for Blacks than for Whites) and death (2.9 times higher for Blacks than for Whites). The data show a similar disparity in death rates by gender (1.3 times higher for females than males, and 1.6 times higher for adult women than adult men).

Higher incidence of asthma among children leads to more absences from school, and consequently, poorer educational outcomes for children of color as compared to their White counterparts. Similarly, lower income people lose proportionally more workdays because of asthma-related hospitalization than higher income people, leading to greater economic insecurity for a population working in low-wage jobs, and often lacking access to paid sick days.

In addition to air quality and health impacts, the proximity of communities of color and low-income communities to polluting facilities adversely impacts property values in these communities. Consequently, property tax revenue decreases, leading to less funding for public schools in these communities.

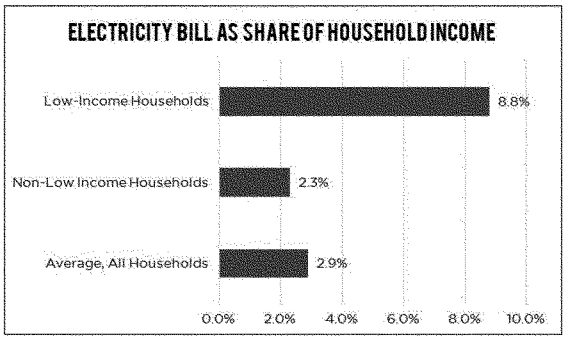
The far-reaching impacts of air quality on childhood health, educational outcomes, and property values (and consequently, community wealth) illustrate how our economic and political system is designed to produce adverse outcomes for poor people and people of color, that keep them locked in an oppressive reality. This example also shows how systemic problems need systemic solutions—one cannot effectively address childhood asthma, educational disparities, and community wealth disparities in isolation from each other.

Section IV: Extreme Heat

As a consequence of climate change, extreme heat waves are expected to increase in frequency and intensity, resulting in increased deaths. Low-income people and people of color are more exposed to conditions exacerbating the risks of extreme heat, such as living in urban areas without adequate green space and other infrastructure disparities. Blacks are 52 percent more likely than Whites to be exposed to heat risk, and the corresponding numbers for Asian Americans and Latinx are 32 percent and 21 percent.

Populations with limited access to air-conditioning are more vulnerable, because they are less able to mitigate extreme heat. Low-income households already pay a disproportionate share of their income on electricity bills compared to higher income households (Figure 4.8), and may in the future have to choose between paying to keep the air-conditioning running, which could be a life-and-death issue, and paying for food. Already, there is a crisis of utility disconnections affecting low income communities and communities of color.

Figure 4.8



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

Section V: The Climate Change Impact of the U.S. Military

In 2016, the U.S. Department of Defense (DoD) was responsible for emitting greenhouse gases equivalent to 66.4 million metric tons of carbon dioxide, which was 72 percent of the U.S. government's total emissions of 91.7 million metric tons.

Despite this, the DoD is allowed to exempt its emissions from its overseas operations from the U.S. government's emissions reduction goals (which means that the U.S. military's emissions from overseas operations are not counted towards the U.S. government's total emissions). In 2016, these exempted emissions accounted for the majority of DoD emissions (37.3 million metric tons, or 56 percent).

The history of how this exemption came about is instructive. The U.S. negotiators for the 1997 Kyoto climate talks insisted on this exemption, and obtained it, at the urging of the military. Now, all militaries worldwide are exempted from counting their emissions from overseas operations in their respective nations' emissions reduction goals. To add insult to injury, the U.S. withdrew from the Kyoto Protocol in 2002.

It is also noteworthy that the most destructive operations of the U.S. military—their overseas operations, which include devastating wars and military bases that are an affront to other countries' sovereignty—are precisely the operations that are exempted.

As extreme fossil fuel extraction multiplies under the current administration, along with gross inequalities in the resulting pollution and public health impacts, and as climate disasters such as hurricanes and forest fires grow in frequency and intensity, there will be an inevitable escalation of social movements led by frontline communities, demanding justice, dignity, and even the right to survive. These movements led by frontline communities represent humanity's best hope of building a future where everyone has access to clean water and clean air, and everyone gets to live in healthy, just communities.

How Militarism of Law Enforcement Enables Ecological Devastation

The overfunding of the U.S. military has contributed to a creeping militarization of the entirety of American society. One example of this militarization is the transfer of surplus military equipment to state and local law enforcement agencies at low cost (and sometimes for free). Consequently, local law enforcement agencies are now armed with night vision goggles, body armor, and even mine-resistant armored trucks with ambush protection.

These are weapons of war — which raises the question, who are these police departments going to war with? A part of the answer is that they are using these weapons to intimidate and terrorize peaceful protesters, whether it's Black Lives Matter protesters in Ferguson, Missouri, or water protectors in Standing Rock.

The growing militarization of law enforcement, and their evident willingness to use their military equipment to terrorize peaceful dissent, points to a future where the fossil fuel oligarchy and their political backers will increasingly try to silence opposition to get away with their destructive agenda. In this way, the militarization of law enforcement can enable more environmental injustice by silencing the opposition.

Garett Rappenhagen, an Iraq War veteran who joined the delegation from About Face: Veterans Against the War to Standing Rock, connects this deeply concerning trend to the broader dependence on oil and polluting industries: "Our addiction to fossil fuels in America is so predominant that we have spent an insane amount of military assets to protect it - the drilling, the supply, the trade, and pathways for fossil fuels. And here we are again in another brutal occupation that's not in Iraq or the Middle East, but in our own country, against our own citizens, people who have lived generations before White people arrived, fighting against these same mechanisms, the same corporations, the same government agencies, to try and stop this environmental colonialism. There is a direct relation to my fight in Iraq for oil and these people's fight here against oil...This is something that is not just affecting the natives that live here but this affects all of us and it's going to reach everywhere in the world. And it's going to target poor communities everywhere. These sheriffs and National Guardsman are local, many of them live here in this state and this county. So if the water supply is contaminated their children are going to be drinking poisoned water. [We veterans] feel that we are duty bound to come here and stop it."

CONCLUSION

As the data in this report make clear, the need for transformative action on the issues of systemic racism, systemic poverty, militarism, and ecological destruction is as urgent today as it was in 1968. All Americans—regardless of their race, gender, or class—share a common interest in tackling these systemic problems in order to prevent our democracy, our society, and our planet from destruction. To combat any one of these four problems requires changing the underlying structures that have produced all of them. We need to overcome the silos and other divisions that have splintered social movements and hindered their progress. We also need to raise up the power of the people most affected by these problems to counter those at the top who have rigged the rules in their favor.

In the coming months, the Institute for Policy Studies will continue to work with the Poor People's Campaign: A National Call for Moral Revival, which is building a state-based moral movement where poor and impacted people are joining together to address these interrelated issues. From May 13, 2018, to June 23, 2018, the Campaign will enter into a season of moral resistance, coordinated across at least 25 states and Washington, D.C. These six weeks will focus on the problems plaguing our society and the brilliant leadership emerging in communities of struggle across the country.

In 1968, Jimmy, a youth participant in the Poor People's Campaign from Marks, Mississippi, testified before the Department of Health, Education, and Welfare. "We have to think about changing things, he said, "'cause if we don't, they're going to get worse. Like the air being polluted; you think we want to breathe that? And the water, too—we like to go swimming, and we're going to go swimming…Yes, sir, things are going to be different."

This is the kind of moral courage and clarity arising in this moment, 50 years later, recognizing that things have become worse. From east to west, north to south, in cities and countryside, there is a moral movement afoot with poor and impacted people in the lead. We know from history that when those most impacted by injustice band together with moral leaders, clergy, activists, and all people of conscience—that is when we can make a change. That is when our country gets better for everyone, not just a select few.

Forward together, not one step back!

APPENDIX 1: MAJOR SHIFTS SINCE 1968

In the 50 years between 1968 and 2018, there have been large shifts in the fights to end racism, poverty and inequality, militarism and the war economy, and environmental destruction. There have been periods of progress and periods of retreat. Some of our work today is to learn from and defend what movements before us have won.

1968-1980: The 1968 Poor People's Campaign begins in a period of momentum toward tackling racism, militarism, and poverty, aided by the civil rights movement and the programs of President Johnson's "War on Poverty" (which gave us food stamps, Medicare, Medicaid, and expanded Social Security). Rev. Dr. King, alongside grassroots leaders like Peggy Terry (Jobs or Income Now (JOIN), Chicago); Myles Horton (Highland Folk School, TN); Reies Tijerina (Chicano and Indo-Hispano Movements, New Mexico), Robert Kennedy (New York Senator and Democratic Presidential Candidate), Marian Wright Edelman (Children's Defense Fund), and Johnnie Tillmon (National Welfare Rights Organization) began to organize with poor and marginalized communities across racial and geographic divides to confront the underlying structures that perpetuated misery in their communities. While the U.S. wars in Indochina ramp up military spending and spark a massive anti-war movement, other movements to fight poverty, racism, patriarchy, militarism, and environmental destruction expand. Awareness of planetary limits grows, and regulations are passed to protect the environment. The so-called "war on drugs" ushers in an era of mass incarceration, disproportionately punishing African-Americans, that gives the U.S. the highest incarceration rate in the world.

The 1980s: Under the rhetoric of "free markets," the United States (with Ronald Reagan), the United Kingdom (with Margaret Thatcher), Germany (with Helmut Kohl) and other countries elect conservative governments dedicated to cutting regulations and taxes and increasing military spending. These governments enable corporations to shift operations overseas, weakening the power of unions and government protections. Inequality rises, wages stagnate, and poverty increases. The era of Reagan's "Welfare Queen" mythology ramps up the long-held belief that poor people, especially Black single mothers, are poor due to bad character rather than a regressive distribution of wealth and systemic racism. A growing environmental movement puts climate change on the political map.

1989-1990: There is a brief period when the Berlin Wall topples, when the Soviet bloc that justified massive U.S. military budgets is dismantled, and the United States contemplates a massive shift in priorities. Pundits called it the "peace dividend," and military spending is cut for the first time in years.

The 1990s: In 1990-1991, President George Bush launches the first Gulf War in Kuwait and Iraq, and there are drum beats for war and for new increases in military spending. Then, under eight years of deregulation of the economy with President Clinton, the economy grows but so does inequality. Movements against corporate globalization erupt. But with growth in government and other jobs, the racial income gap narrows and poverty begins to fall. The impact of a cruel welfare reform locks in

the attack on single mothers and Black women by the turn of the century, and poverty rises again in the 2000s. Disparate race and class impacts of environmental destruction begin to get recognition.

2001-2008: As 9-11 stokes Islamophobia and offers the "war on terror" as a new enemy to replace communism, the military budget and deadly new wars expand quickly under eight years of the second President Bush. A global peace movement pulls in movements against poverty, racism, and environmental destruction as millions oppose war. A crushing financial crisis spreads around the globe in 2008-2009.

2009-2016: President Obama is elected into the Great Recession, which destroys the already low wealth of Black and Latinx families and widens the racial wealth gap even as White families are also impacted. There is an increase in the policing of poor people and the resurgence of debtors' prisons. Eight million jobs are destroyed and wages stagnate while Occupy Wall Street, Black Lives Matter, the Fight for $15 and other movements for the rights to water, health care, living wages, immigrant rights, women's rights, climate justice and indigenous sovereignty and more flourish. The Moral Mondays/Forward Together movement emerges as a fusion movement in North Carolina. Environmental, LGBTQ, and workers movements win some victories, as the voices of domestic and restaurant workers gain visibility.

2017 onward: President Trump is narrowly brought into office, after record-low voter turnout and losing the popular vote. The White House and congressional Republicans enact a law that slashes taxes on corporations and the wealthy, adding $1.5 trillion to the national debt and endangering funding for Social Security, Medicaid, Medicare, and other anti-poverty programs. The bill also repeals part of the Affordable Care Act, which will result in 13 million people losing health insurance. The stock market responds by continuing to grow amid rapidly escalating inequality.

The rich get richer, the poor get prison, newly-won civil rights protections and long-standing voting rights are rolled back, and deportations increase. Women's rights are threatened, wars expand with threats of nuclear war, and the Trump administration begins to stack the courts with conservative judges and dismantle 50 years of hard-won environmental protections. Hurricanes Harvey, Irma, and Maria vividly illustrate the profound racial and economic inequalities of climate change impacts. Resistance movements take to the streets with growing cross-movement connections.

APPENDIX 2:
FUNDAMENTAL PRINCIPLES OF THE POOR PEOPLE'S CAMPAIGN: A CALL FOR NATIONAL MORAL REVIVAL

FUNDAMENTAL PRINCIPLES OF THE

Poor People's Campaign

A NATIONAL CALL for MORAL REVIVAL

1. We are rooted in a moral analysis based on our deepest religious and constitutional values that demand justice for all. Moral revival is necessary to save the heart and soul of our democracy.
2. We are committed to lifting and deepening the leadership of those most affected by systemic racism, poverty, the war economy, and ecological devastation and to building unity across lines of division.
3. We believe in the dismantling of unjust criminalization systems that exploit poor communities and communities of color and the transformation of the "War Economy" into a "Peace Economy" that values all humanity.
4. We believe that equal protection under the law is non-negotiable.
5. We believe that people should not live in or die from poverty in the richest nation ever to exist. Blaming the poor and claiming that the United States does not have an abundance of resources to overcome poverty are false narratives used to perpetuate economic exploitation, exclusion, and deep inequality.
6. We recognize that the centrality of systemic racism in maintaining economic oppression must be named, detailed and exposed empirically, morally and spiritually. Poverty and economic inequality cannot be understood apart from a society built on white supremacy.
7. We aim to shift the distorted moral narrative often promoted by religious extremists in the nation from issues like prayer in school, abortion, and gun rights to one that is concerned with how our society treats the poor, those on the margins, the least of these, women, LGBTQIA folks, workers, immigrants, the disabled and the sick; equality and representation under the law; and the desire for peace, love and harmony within and among nations.
8. We will build up the power of people and state-based movements to serve as a vehicle for a powerful moral movement in the country and to transform the political, economic and moral structures of our society.
9. We recognize the need to organize at the state and local level—many of the most regressive policies are being passed at the state level, and these policies will have long and lasting effect, past even executive orders. This movement is not from above but below.
10. We will do our work in a non-partisan way—no elected officials or candidates get the stage or serve on the State Organizing Committee of the Campaign. This is not about left or right, Democrat or Republican, but about right and wrong.
11. We uphold the need to do a season of sustained moral direct action as a way to break through the tweets and shift the moral narrative. We are demonstrating the power of people coming together across issues and geography and putting our bodies on the line to the issues that are affecting us all.
12. The Campaign and all its Participants and Endorsers embrace nonviolence. Violent tactics or actions will not be tolerated.

REPAIRERS OF THE BREACH

KAIROS
THE CENTER FOR RELIGIONS, RIGHTS, AND SOCIAL JUSTICE

www.poorpeoplescampaign.org

ACKNOWLEDGEMENTS

This report reflects the work of many people, communities, institutions, and organizations coming together to address the national crises of systemic racism, poverty, the war economy and militarism and ecological devastation that have been evolving for decades. It was co-edited by Shailly Gupta-Barnes and Saurav Sarkar, with Aaron Noffke serving as Assistant Editor. We would like to thank: Sarah Anderson, Marc Bayard, Phyllis Bennis, John Cavanagh, Karen Dolan, Stevon Felton, Domenica Ghanem, Josh Hoxie, Lindsay Koshgarian, Sam Pizzigati, Basav Sen, Ebony Slaughter-Johnson, Joanna Williams, Kenneth Worles, and the rest of the team at the Institute for Policy Studies; Kilolo Kijakazi and the Urban Institute; Marian Wright Edelman and Peter Edelman; and Larry Cox, Dr. Adam Michael Barnes, Dr. Colleen Wessel-McCoy, and Nicholas Lacetti from the Kairos Center for Religions, Rights and Social Justice at Union Theological Seminary for providing critical insights, feedback, and support in this process. Thanks also to Tim Tensen, who researched and created several maps for this project, Daniel Jones for his editorial gifts, and the Annie E. Casey Foundation for its support.

The Poor People's Campaign: A National Call for Moral Revival had assembled an Audit Committee that has been involved with this process in various capacities for many months. This Committee brought together economists, political scientists, historians, and people from grassroots struggles whose contributions must also be acknowledged, including: Dr. William Darity (Duke University), Dr. Stephanie Kelton (Stony Brook University), James Carr (Roosevelt Institute), Margarida Jorge (Healthcare for America Now), Julianne Malveaux (Economic Policy Institute), Mary Grant (Food and Water Watch), Tressie McMillan Cottom (Virginia Commonwealth University), Suzanne Babb (Why Hunger), Ananya Roy (Institute on Inequality and Democracy at UCLA), Lisa Crooms-Robinson (Howard University Law School), Diana Polson (Keystone Research Center), Dr. Iva Carruthers (Samuel DeWitt Proctor Conference) and Amanda Alexander (University of Michigan Law School). Lisa Crooms-Robinson, Tressie McMillan Cottom and Sequoya Hayes all provided additional research that contributed tremendously to this report. Although not formally on the Audit Committee, Margaret Prescod (Every Mother Network) also provided several resources on welfare and the social safety net that offered key insights on this issue.

We would also like to thank Dorothy Q. Thomas, Heather Koball (National Center for Children in poverty), Mary J. Lopez (Occidental College), James Sadd (Occidental College), and Nick Holtzum (ADAPT) for suggesting numerous resources that have helped inform this analysis.

Several of the Audit Committee members and others participated in a round of interviews and a virtual hearing on the conditions contained in this report. We would like to thank Mary Grant (Food and Water Watch), Marian Kramer and Sylvia Orduño (Michigan Welfare Rights Organization), Fernando García (Border Network for Human Rights), Jose Vasquez and Rev. Shawna Foster (About Face: Veterans Against the War), Hamid Khan (Stop LAPD Spying Coalition), Nijmie Dzurinko (Put People First PA!), Paul Boden (Western Regional Advocacy Project), Jacqui Patterson (NAACP), Catherine Flowers (Alabama Center for Rural Enterprise), Cherri Foytlin, Michael McPhearson (Veterans for Peace), Jesús Vázquez (Organización Boricuá), and Margaret Prescod (Every Mother Network) for their interviews and, for many of them, participating in the virtual hearing as well. And also to Caitlin Swain (Forward Justice), Dr. William Darity (Duke University), Luis Rodriguez (Tia Chucha's Cultural Center), Dr. Stephanie Kelton (Stony Brook University), Maureen Taylor, Bill Wylie-Kellermann and Jim Perkinson (Michigan Welfare Rights Organization), Austin Sowe (Children's Defense Fund), Liz Betty Owens (Vermont Workers' Center), Dr. Iva Carruthers (Samuel Proctor Conference), Rev. Sarah Monroe (Chaplains on the Harbor), Jonathan Wilson-Hartgrove (Red Letter Christians), and Rev. Claudia de la Cruz (Popular Education Project) for their testimonies and statements in the hearing.

ACKNOWLEDGEMENTS

We would like also to thank the team of people who helped transcribe their interviews and testimonies, including: Tim Shenk, Adriana Guzman, Denisse Gayosso-Lucano, Ryan Kresge, and Evelyn Sanchez from the Committee on U.S. and Latin American Relations at Cornell University, Crystal Bernard, Lindsey Jordan, Aaron Noffke, and Kevin Kang. Filmmaker Dara Kell and Brava Media's brilliant film work was incredibly useful at capturing some of this qualitative research as well, especially the interview at Standing Rock with Garett Rappenhagen from the Vets Voice Foundation.

There were several people who contributed their time and resources to developing the Preliminary Report, released on December 4, 2017: Joshua Rovner (The Sentencing Project); Linda Couch (Leading Age); William Hartung (Center for International Policy); Michael Zweig (U.S. Labor Against the War); David Wildman (United Methodist Church's General Board of Global Ministries); and Laura Flanders (The Laura Flanders Show).

We would also like to thank Steve Pavey for his powerful images and everyone who offered their artistic vision to the pictures in this report: Yara Allen, Eric Preston, and Charon Hribar.

Finally, we would like to thank the Poor People's Campaign: A National Call for Moral Revival's Rev. Dr. William J. Barber, II, Rev. Dr. Liz Theoharis, Roz Pelles, John Dempsey Parker, and fellow tri-Chairs of the Souls of Poor Folk Audit Committee, Rev. Dr. James Forbes and Dr. Tim Tyson for their critical questions and visionary leadership in seeing this report through to the end.

Everyone here, and several others who have not been named, have come together to contribute to a long-overdue conversation on our national priorities. As the Campaign heads into a six-week season of moral resistance in more than 25 states and Washington D.C., the facts, figures and faces contained here will come to life for a nation that has ignored them for far too long.

As Rev. Dr. King recognized in 1967, "there are millions of poor people in this country who have very little or even nothing to lose. If they can be helped to take action together, they will do so with a freedom and a power that will be a new and unsettling force in our complacent national life." This "new and unsettling force" is rising today. It is time to move.

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POOR PEOPLE'S MORAL BUDGET

EVERYBODY HAS THE RIGHT TO LIVE

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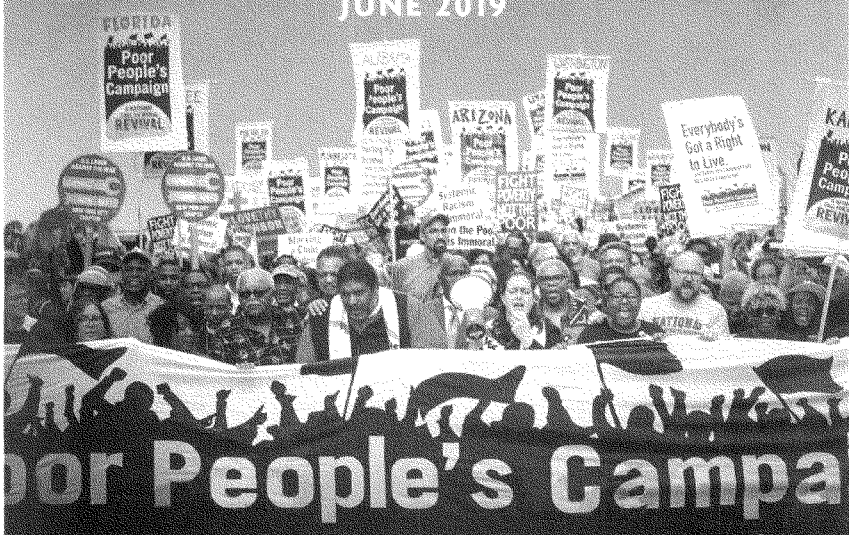
JUNE 2019



Poor People's Campaign
A NATIONAL CALL for MORAL REVIVAL

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131

POOR PEOPLE'S MORAL BUDGET: EVERYBODY HAS THE RIGHT TO LIVE

Poor People's Campaign: A National Call for Moral Revival
Institute for Policy Studies
Kairos Center / Repairers of the Breach
June 2019

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CONTENTS

Acknowledgements ..... **iv**
Key Findings ..... **v**
Introducing the Poor People's Moral Budget: Everybody's Got the Right to Live
By Rev. Dr. William J. Barber II and Rev. Dr. Liz Theoharis 6
Investments in Democracy & Equal Protection Under the Law **14**
Poor People's Campaign Demands 15
Key Findings 16
Restoring Democracy 17
Voting Rights 17
Automatic Voter Registration and Same Day Registration 21
Restoring Voting Rights to Disenfranchised Voters 21
No Taxation without Representation 23
Ending Emergency Management 24
Equal Treatment Under the Law 26
Immigration Reform 26
Legal Protection for LGBTQIA People 28
First Nations Sovereignty 29
Investments in Domestic Tranquility **31**
Poor People's Campaign Demands 32
Key Findings 33
The Right to a Living Wage Job 34
Full Employment and a Federal Job Guarantee 34
Living Wages, Unions and Equal Pay for Equal Work 37
Infrastructure Development 40
The Right to Social Welfare 43
A Secure Safety Net 43
A Right to Affordable Housing 47
Measuring Poverty 49
Investments in an Equitable Economy **51**
Poor People's Campaign Demands 52
Key Findings 53
Toward A Moral Tax Code 54
Revise Income, Investment, and Estate Taxes on the Wealthiest Americans 55
Fair Taxes on Large Corporations 57
Fair Taxes on Wall Street 59
Narrowing the Racial Wealth Divide 60
Investments in Life and Health **62**
Poor People's Campaign Demands 63
Key Findings 64
Health Care for All 66
Expand Medicaid 66
Protect and Secure Medicare 68
Towards Universal Health Care 69
Equal Treatment for Mental Health and Substance Use 71
Indigenous and Native Health 72

Investments in Our Future **73**
Poor People's Campaign Demands 74
Key Findings 75
High Quality Eduation 76
Early Learning, Childcare and Head Start 76
K-12 Education 77
Higher Education and Free College 79
Inclusion for All: Undocumented Youth, HBCUs and Tribal Schools 82
Investments in the Planet **85**
Poor People's Campaign Demands 86
Key Findings 87
Access to Clean Water and Sanitation 89
Addressing Climate Change through Clean Energy 92
A Model for Federal Action on Renewable Energy 93
Investments in Peace and the Common Defense **97**
Poor People's Campaign Demands 98
Key Findings 99
Ending the Culture of War 100
Reducing Military Spending 101
Diplomatically-Centered Foreign Policy 105
Ending Militarism at Home 106
Eliminating Militarism in Immigration 106
Eliminating Militarism in Policing and Mass Incarceration 109
Ending Easy Access to Firearms 111
Conclusion **114**

TABLES

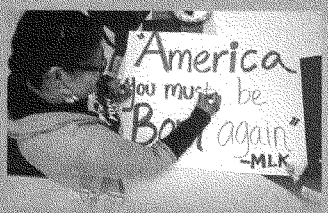
Investments in an Equitable Economy
Table 1: Fair Taxes on the Richest Americans 56
Table 2: Fair Taxes on Corporations 58
Table 3: Fair Taxes on Wall Street 60
Investments in the Planet
Table 4: Estimated Ranges of Aggregate Annual Nationwide Economic Losses for U.S. as Share of GDP for Different Warming Scenarios 95
Investments in Peace and the Common Defense
Table 5: Annual Reductions in Spending from a Smaller Military 104

ACKNOWLEDGEMENTS

This report reflects the work of many organizations and people, including advocacy organizations, think tanks, and academics. It was co-edited by Shailly Gupta Barnes of the Kairos Center for Religions, Rights, and Social Justice at Union Theological Seminary, along with Lindsay Koshgarian and Ashik Siddique of the National Priorities Project at the Institute for Policy Studies. We would like to thank: Robert P. Alvarez, Sarah Anderson, Phyllis Bennis, Jessica Butehorn, John Cavanagh, Peter Certo, Karen Dolan, Sarah Gertler, Domenica Ghanem, Nardos Iyob, Karla Molinar-Arvizo, Miriam Pemberton, Khury Petersen-Smith, Lee Price, Steve Quick, Basav Sen, and the rest of the Institute for Policy Studies team; Josh Bivens, Hunter Blair, and Thea Lee of the Economic Policy Institute; Kilolo Kijakazi and the Urban Institute; Trina Shanks of the University of Michigan; Solita Riley, Noam Sandweiss-Back, Charon Hribar and the Kairos Center for Religions, Rights and Social Justice at Union Theological Seminary; Rob Stephens and Repairers of the Breach; Julianne Malveaux; Marian Wright Edelman, Austin Sowe and the Children's Defense Fund; Tazra Mitchell from the Center on Budget and Policy Priorities; Dean Baker of the Center for Economic and Policy Research; Heidi Peltier of the University of Massachusetts' Political Economy and Research Institute; Saurav Sarkar of Labor Notes; Penda Hair, Leah Kang, Caitlin Swain, and Forward Justice; William Hartung of the Center for International Policy; Gordon Adams of American University; David Vine of American University; Darrick Hamilton and the Kirwan Institute; Kerry Taylor of The Citadel; William Darity of Duke University and the Roosevelt Institute; Mary Grant of Food and Water Watch; Daniel Jones and the Popular Education Project; and Wendsler Nosie of the Apache Stronghold in Arizona for their critical contributions, insights, feedback, and support of this work.

We also thank the state coordinating committees of the Poor People's Campaign that organized demand deliveries, hearings, and mass meetings, bringing hundreds of people together across their states to tell their stories, and to bring their insights into this analysis. We thank Nic Smith, Rev. Claudia de la Cruz, Rosanell Eaton, Rev. Shawna Foster, Braxton Brewington, Alejandro Rangel-Lopez, Mignon Luckey, Ruby Welch, Tim Lanier, Claire McClinton, Imam Zaid Shakir, Viviana Rodriguez, Jennina Gorman, Idalin Bobé, Diego Ortiz, Joyce Barnes, Bridget Hughes, Solo Little John, Amaya Lynn Rankin, Elizabeth Straeder, Bo Williams, Adriana Foster, Richard Muenzer, Lois Swimmer, Suzanne Krull, Nicole Hill, Mashyla Buckmaster, Mary Grant, Quiahnya Walker Dillon, Mary Ellen Smith, Tammy Rojas, Darvin Bentlage, Christian Espinoza, Michael Martin, Aaron Scott, Garett Rapenhagen, Sequoia Phillips, Wanda Bryant, Michael Martin, Maria Meneses, Marquita Bradshaw, Vice President Al Gore, Kailani Jones, Mary Jane Shanklin, Bill Wylie-Kellerman, Maureen Taylor, Caroline Armijo, Becca Forsyth, Catherine Flowers, Jose Vasquez, Roberta Hickman, Chris Overfelt, Maggie Martin, Maria Morales, Rev. Susan Frederick Gray, Cherri Foytlin, Justin Smith and Ameena Matthews for their generous testimonies and statements. We also thank all those whose photographs and artwork have complemented this report, including: Steve Pavey (cover photo, v, 6, 14, 31, 51, 55, 62, 72, 73, 85, 86, 97, 98, 114, back cover); Nishant Carr, (6, 31, 62, 63, 73); Patrick Mulcahy (51, 73); Marcello Rollando (85); Nancy Shia (62, 96); Nicholas Norfolk (51); André Daughtry (114), Siri Margerin (107), Sarah Farahat (52), Pete Railand (86), and many others whose pictures we have used.

KEY FINDINGS



KEY FINDINGS

In April 2018, the Poor People's Campaign: A National Call for Moral Revival released a Moral Agenda and Declaration of Fundamental Rights. The demands contained within that document present a comprehensive response to the systemic racism, poverty, ecological devastation, militarism, and war economy plaguing our country today. For the 140 million people who are poor, or one emergency away from being poor, we know these demands are necessary. This Poor People's Moral Budget asks, given the resources of our society, whether these demands are also possible. Our answer is a resounding yes.

In the seven sections of the Moral Budget, we look at policies and investments for seven critical areas of the Poor People's Moral Agenda: 1) democracy and equal protection under the law; 2) domestic tranquility; 3) peace and the common defense; 4) life and health; 5) the planet; 6) our future; and 7) an equitable economy. In each case, we've found that our nation has abundant resources to meet the demands of the poor, and to address the widespread and systemic injustices we face. In contrast, the current realities of voter suppression, low and inconsistent wages, insecure access to health care and other basic needs, wealth inequality, war, and climate change are far costlier than we have been led to believe.

This Budget shows that it is possible to invest our resources in the ways demanded by this Campaign and our moral and Constitutional values: to establish justice, domestic tranquility, security, and the general welfare for all. It shows, too, just how wasteful systemic injustice is. The abundance of our society will grow even greater when we stop investing in maintaining injustice to benefit the few, and turn instead to policies based on the needs of the many.

OVERALL FINDINGS

The United States has abundant resources for an economic revival that will move towards establishing a moral economy. This report identifies:

- $350 billion in annual military spending cuts that would make the nation and the world more secure;
- $886 billion in estimated annual revenue from fair taxes on the wealthy, corporations, and Wall Street; and
- Billions more in savings from ending mass incarceration, addressing climate change, and meeting other key campaign demands.

The below comparisons demonstrate that policymakers have always found resources for their true priorities. It is critical that policymakers redirect these resources to establish justice and to prioritize the general welfare instead. The abundant wealth of this nation is produced by millions of people, workers, and families in this country and around the world. The fruits of their labor should be devoted to securing their basic needs and creating the conditions for them to thrive.

At the same time, policymakers should not tie their hands with "pay-as-you-go" restrictions that require every dime of new spending to be offset with expenditure cuts or new revenue, especially given the enormous long-term benefits of most of our proposals. The cost of inaction is simply too great.

1. **Investments in Democracy and Equal Protection under the Law.** Enfranchising voters, protecting our elections, and reforming our immigration system are moral necessities, and would yield huge economic benefits.

- Transitioning to automatic, online voter registration would cost just $150 million per year for five years. That's less than the $173 million the top two individual political donors contributed in the 2016 election.[1]

- There is a solid economic case for the moral imperative to expand democratic rights. For example, restricting the voting and civil rights of the formerly incarcerated has cost the state of Florida an estimated $385 million per year due to administrative and court costs and increased recidivism.

- Comprehensive immigration reform would allow millions of families to live in security — and result in a net gain for the federal budget. One immigration proposal in Congress would cost the federal government around $26 billion per year, but those costs would be more than balanced by the $46 billion per year in increased revenues from income and payroll taxes.

2. **Investments in Domestic Tranquility.** True domestic tranquility is only possible when our nation meets the needs of its people and ensures access to good jobs and adequate incomes for people who aren't working. Lifting poverty wages, restoring the safety net, and guaranteed employment rebuilding our infrastructure would put trillions of dollars every year into the pockets of those who need and deserve it most.

- A $15 federal minimum wage enacted immediately would raise pay for 49 million workers by a combined $328 billion per year. At $22 per hour, 83 million workers would get $1 trillion more in pay. These pay raises dwarf the $7.1 billion in "tax cut bonuses" employers gave U.S. workers in 2018.[2]

- As an immediate measure, restoring Temporary Assistance for Needy Families (TANF) to previous funding levels would provide a modicum of relief to poor families who deserve a fully functional safety net. TANF has not been adjusted for inflation since the Clinton administration, which in 2019 puts the program $8.9 billion under its 1996 level. Restoring that $8.9 billion would cost less than the roughly $14 billion the United States spends each year on increased border patrols, deportations, and incarceration.

- An annual wealth tax on just the 75,000 richest U.S. households would generate $275 billion per year — more than enough to put 2.5 million people to work fixing our public infrastructure.

1 "Top Individual Contributors: All Federal Contributions," Center for Responsive Politics, accessed May 21, 2019, https://www.opensecrets.org/overview/topindivs.php?cycle=2016&view=fc.
2 "Trump Tax Cuts," Americans for Tax Fairness, accessed May 21, 2019, https://americansfortaxfairness.org/issues/trumptaxcuttruths/

3. **Investments in an Equitable Economy.** Fair taxes on the wealthy, corporations, and Wall Street could pay for a substantial share of the proposals in this report.

- Fair taxes on the wealthy, corporations, and Wall Street could generate as much as $886 billion per year in revenue to meet urgent social and environmental needs.[3]

- Capital gains taxes on fortunes passed on to heirs would raise an estimated $78 billion per year — approximately the estimated cost of giving every American child a modest savings account at birth that would earn interest and grow, providing a nest egg for education or to buy a home.

4. **Investments in Life and Health.** In a country with as much wealth as ours, no person should suffer or die for lack of adequate health care. And a system that covers everyone would actually save money.

- Expanding Medicaid in the 14 states that have not yet taken advantage of Affordable Care Act subsidies for Medicaid would cost the federal government $25 billion in the first year — roughly the amount the Pentagon awards one company, Boeing, in military contracts each year.[4]

- Even better, by eliminating bloat and negotiating better prices, a publicly funded single-payer system would save money overall. One analysis estimates the savings at 9% over current costs, saving businesses and individuals as much as $310 billion per year, even as coverage is expanded to all.[5]

- An investment of an additional $31 billion in the Indian Health Service would begin to redress the five and a half year difference in life expectancy between Native Americans and the United States average, and would cost less than half of our current spending on wars in Iraq, Afghanistan, Syria, and Yemen.[6]

5. **Investments in Our Future.** Simply restoring pre-2018 corporate tax rates, along with a tiny tax on Wall Street trades, would easily cover childcare support, free college, and other investments we've failed to make in our children.

- An investment of $24.4 billion per year in K-12 schools and teachers could start to boost academic performance among poor and struggling children for about the same cost as a wall at the southern border.[7]

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3 If policymakers adopted all of the proposals identified in this section, revenue estimates would need to be adjusted to account for interactions between the reforms.

4 "Spending by Transaction," USA Spending, accessed May 22, 2019, https://www.usaspending.gov/#/keyword_search/Boeing.

5 Robert Pollin et al., "Economic Analysis of Medicare for All," Political Economy Research Institute, University of Massachusetts-Amherst, November 30, 2018, https://www.peri.umass.edu/publication/item/1127-economic-analysis-of-medicare-for-all.

6 "Defense Budget Overview: United States Department of Defense Fiscal Year 2020 Budget Request," Office of the Under Secretary of Defense (Comptroller)/Chief Financial Officer, March 5, 2019, https://comptroller.defense.gov/Portals/45/Documents/defbudget/fy2020/fy2020_Budget_Request_Overview_Book.pdf.

7 Andrew DePietro, "The Real Cost of the Border Wall As The Senate Votes to Kill Trump's National State of Emergency," Yahoo! Finance, March 14, 2019, https://finance.yahoo.com/news/real-cost-trump-border-wall-195830968.html.

- Universal early learning and childcare support would require $100 billion per year. That's substantially less than the $130 billion per year that could be generated if we merely restored the corporate tax rate to the pre-2018 level of 35%.

- For every $1 invested in early childhood education, society would gain $7.30 due to reduced poverty, lower incarceration rates, and better health outcomes.

- The federal and state shares of providing free public college would cost about $70 billion per year. That's less than the revenue that could be generated through a tiny tax on transactions by wealthy, high-speed Wall Street traders.

- A study of public higher education in California found that for every $1 invested in public colleges and universities, the state gained $4.50 due to reduced poverty, arrests and incarcerations, and higher tax revenues.

6. **Investments in our Planet.** Investing in a clean energy transition — and in basic resource rights like clean water — would create jobs, save trillions, and address the needs of the poor and people of color who are already feeling the worst effects of climate change.

- Climate change is a cause of massive human suffering: forced migration, food insecurity, and higher rates of infection. In 2010, 400,000 deaths worldwide could already be attributed to climate change. By 2030, that number is projected to reach 700,000.

- Inaction on climate change could cost up to 15.7% of GDP per year.[8] That's the equivalent of wiping out $3.3 trillion from the U.S. economy — the rough equivalent of five Great Recessions, the worst economic crisis since the Great Depression.[9]

- Addressing climate change with a $200 billion per year investment in a clean energy transition would reduce the damage to GDP while creating 2.7 million net new jobs.

- Investing $37.2 billion a year in water infrastructure would create up to 945,000 jobs while providing safe drinking water to thousands of communities that don't have it. That's less than what the Pentagon awarded to just one corporation — Lockheed Martin — for military contracts in 2018.[10]

7. **Investments in Peace and the Common Defense.** Shifting our foreign policy toward peace and diplomacy, and away from military-first responses, would make our world safer – and put hundreds of billions back on the table for security at home.

- We could save as much as $350 billion per year by cutting current Pentagon spending for fighting endless wars, maintaining a worldwide network of 800 military bases, stoking dangerous arms races, and subsidizing for-profit corporate contractors, and our military budget would still be larger than that of China, Russia, and Iran combined.

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8 Solomon Hsiang et al., "Estimating Economic Damage from Climate Change in the United States," *Science* 356, no. 6345, (2017): 1362-1369, https://doi.org/10.1126/science.aal4369.

9 Calculation by authors based on GDP figures from the Bureau of Economic Analysis.

10 "Top 100 Defense Contractors 2018: U.S. Department of Defense Fiscal Year 2018," Forecast International, http://www.fi-aeroweb.com/Top-100-Defense-Contractors.html.

- Ending mass incarceration could drastically reduce the $179 billion per year that our nation spends on policing, courts, and private prison operators. A one-quarter reduction in spending on mass incarceration could fund $44 billion per year in investments in a housing trust fund to build, maintain, and preserve affordable rental homes.

These comparisons illustrate that we don't lack for resources at all. The problem is that we invest our resources in priorities that fail to meet the needs of millions of people whose potential is being thwarted, whose lives are being minimized, and who are dying unnecessarily through violence and neglect. These misplaced priorities are not only damaging our social fabric, they are moving us towards a fundamentally unstable economy.

The policies presented in the Moral Budget begin to move us towards a different reality, where we can realize the full potential of our most valuable resource — the strength, genius, and creativity of our fellow human beings. Investing in these demands will fundamentally reorient our economy to be on track with our deepest moral values, and build a new foundation for prosperity for all.

There is a far better way forward, and it is within our reach.

INTRODUCING

THE POOR PEOPLE'S MORAL BUDGET

INTRODUCING THE POOR PEOPLE'S MORAL BUDGET: EVERYBODY'S GOT THE RIGHT TO LIVE

BY REV. DR. WILLIAM J. BARBER II AND REV. DR. LIZ THEOHARIS

"We the People of the United States, in Order to form a more perfect Union, establish Justice, insure domestic Tranquility, provide for the common defense, promote the General Welfare, and secure the Blessings of Liberty to ourselves and our Posterity, do ordain and establish this Constitution of the United States of America" – Preamble of the Constitution

"And let justice roll down like waters, and righteousness like an ever-flowing stream" – Amos 5:24

"The Spirit of the LORD is upon me, because he has anointed me to proclaim good news to the poor. He has sent me to proclaim liberty to the captives and recovering of sight to the blind, to set at liberty those who are oppressed, to proclaim the year of the Lord's favor" – Luke 4:18

As we have traveled around these yet to be United States of America, from Appalachia to Alabama, California to the Carolinas, Mississippi to Maine, the delta of the south to the coal miner's home in Kentucky, we have seen the pain and heard the cry of every race, creed, color, and sexuality that our moral values and economic policies are out of sync. Indeed, as Rev. Dr. Martin Luther King Jr. has suggested, our state and national budgets prove that many of our elected leaders and their lobbyists treasure the military, corporate tax cuts, and welfare for the wealthy while they give rugged individualism, shame and blame, unfair wages, and a shredded social safety net to the poor.

This is a willful act of policy violence at a time when there are 140 million poor and low-income people – over 43.5% of the population – in the richest country in the history of the world. This includes 39 million children, 74.2 million women, 60.4% or 26 million Black people, 64.1% or 38 million Latinx people, 40.8% or 8 million Asian people, 58.9% or 2.14 million Native and Indigenous people, and 33.5% or 66 million White people. Increasing the harm on these 140 million, since 2010, there has been an onslaught of attacks on voting rights in state legislatures: racialized voter suppression and gerrymandering have helped to smuggle state leaders into office, who then turn around and pass policies that hurt the poor and marginalized. Life-giving social programs are being eviscerated to make way for increased spending on war, militarizing our border, and tax payouts to Wall Street.

As clergy who minister and work alongside poor people of every race, creed, age, gender, and sexuality across America, we know these realities pre-date the Trump administration. Income inequality and wealth disparity have increased under Republicans and Democrats over the past four decades, but now there is increased policy disdain for the poor. Because of this, poor people and moral leaders have been calling for a Poor People's Campaign for a long time.

From Mother's Day, May 2018, to the Summer Solstice, June 2018, thousands of people in forty states committed themselves to a season of direct action to launch the Poor People's Campaign: A National Call for Moral Revival. For six consecutive weeks, impacted people, moral leaders and activists gathered in state capitols across the country and in Washington D.C. for nonviolent moral fusion direct action, weekly mass meetings, teach ins, and cultural events. The result was over two hundred actions in forty days with over 5,000 people presenting themselves for nonviolent civil disobedience, tens of thousands witnessing and millions of people following online and through social media—the largest and most expansive wave of nonviolent civil disobedience in 21st-century America.

More than just a series of rallies and actions, a new model of organizing has been catalyzed in this country. From Alaska to Arkansas, the Bronx to the border, people are coming together to organize moral outrage around poverty, racism, ecological devastation and militarism into a transforming force, to turn the poor into agents of change rather than objects of history. In forty states, there are coordinating committees building bridges between communities who have often been pitted against one another. In every region of the country, there are poor people and people of faith and conscience uniting and organizing across lines of race, religion, age, geography, gender and sexuality, political party, and other lines of division.

Before the launch, we were told that our vision was larger than our reach. Friends and allies cautioned that we should focus on a single issue, as if people's lives could be compartmentalized. While we have heard this same argument for years, politicians and corporations have waged war on voting rights, health care, housing, education, water, land, climate, and communities. Then they've taken their bloated military budgets and used our bodies to wage war abroad.

But this is not the time for an incremental campaign; rather, we need one that is willing to confront the rotten structures that perpetuate these injustices and build new and unsettling alliances. In Missouri, hundreds of young Black, White, and Latinx low-wage workers and parents linked up with brigades of octogenarians to stage some of the largest actions in the country. Apache leaders set off from Oak Flats in Arizona and caravanned across the entire nation bringing diverse Indigenous and Native tribes into the Campaign. In California, undocumented folks in Los Angeles connected with homeless organizers in Salinas and policy experts in Sacramento. In Mississippi, families struggling with poverty and the suppression of voting rights rallied together, even when dogs and extremists attempted to intimidate them. In Wisconsin, public school teachers, low-wage workers, undocumented immigrants, and peace activists convened on the state capitol. In North Carolina, families impacted by the lack of Medicaid expansion, coal ash, and homelessness all linked arms to declare "fight poverty, not the poor" together. Nic Smith, a fast-food worker with the Fight for 15 in Virginia declared at a rally on Capitol Hill, "I'm poor, I'm White, and I'm here. This hillbilly is joining other poor people of all colors, all sexualities, all religions, to start the Poor People's Campaign: A National Call for Moral Revival. Our backs are against the wall, and we have no choice but to push."

At a time when our attention is misdirected by media concerned with tweets and emails, we are finding new ways to break through the distorted moral narrative in this country. We know that the issues of the day are bigger than the dichotomy of Republican versus Democrat, or conservative versus liberal. The moral and spiritual health of this nation depends on our capacity to see deeper and more expansively. We are not aligned with a political party or a single election. There are no

politicians who speak on our behalf. Rather, our task is to build the power necessary to hold our political system to genuine account.

Indeed, we are carrying out a phase of deep organizing and power building amongst the poor. We continue to engage in mass voter registration and voter mobilization, not as an end in itself, but to register people for a movement – a movement that votes, sings, educates and takes action together. We are mobilizing in our streets, communities, and at the sites of political and economic power. We continue to build a non-violent army of the poor that can do more than react, but can dictate the terms of this country's future. A new and unsettling force is awakening to revive the heart of democracy in America.

And now we are launching the Poor People's Moral Budget: Everybody Has the Right to Live. This Budget flips the question of costs and raises the question of benefits of the Poor People's Campaign's Moral Agenda. What we learned in the Souls of Poor Folk: Auditing America report, commissioned before we launched the Campaign, is that it is already costing society not to provide health care, to suppress voting rights, and to keep wages low. We know from the Flint water poisoning and the diseases brought about because of the lack of sanitation services in Lowndes County that whole generations of people are having their lives cut short, with youth and children denied living to their full potential because of gross and vast injustice. Research shows that every dollar cut from public education costs society many fold in police, mass incarceration, and social programs in the future. As economist Joseph Stiglitz has pointed out, there is a price to inequality: wealth and income inequality actually hinder the economy.

Therefore, this Budget looks at how much better we could be, as a nation, if we fixed inequality. It declares the moral thing to do is also the economically responsible thing to do. We MUST enact this Budget because we need to invest in the needs of society. We cannot afford NOT TO. We have been investing in killing people; we now must invest in life. We have been investing in systemic racism and voter suppression; we must now invest in expanding democracy. We have been investing in punishing the poor; we must now invest in the welfare of all. We have been investing in the wealthy and corporations; we must now invest in the people who have built up this country. In the words of Rev. Claudia de la Cruz from the Steering Committee of the Poor People's Campaign: A National Call for Moral Revival, "the poor may not run this country, but we make this country run!"

The Poor People's Moral Budget: Everybody Has the Right to Live proclaims abundance over scarcity, comfort to the weeping, release to those crippled by debt and poverty, and equal protection under the law for absolutely all. The world's sacred texts are clear on this. In the Hebrew Scriptures, the Book of Deuteronomy establishes that a nation that forgives debts, pays people a living wage, prohibits slavery, and organizes society around the needs of the poor will be a prosperous nation. It professes that to honor and love God, nations must love and welcome their immigrant neighbor.

We know that there will continue to be nay-sayers who will say: How will we pay for all of this? Our national debt stands at $20 trillion and is growing. These people say that our nation is on a sure path to fiscal ruin and sooner or later we are going to have to deal with the consequences. We are burdening our children through our irresponsible spending and the only remedy is to curtail spending now.

But this critique does not have the last word. Instead what we have learned from our organizing, as well as from economists and policy-makers, is that it makes sense to invest in areas that make our country stronger: universal health care, infrastructure investment, and tuition-free higher education. In fact, strategically borrowing money to invest in our future is a safe and responsible choice; government borrowing can even make the economy stronger. Also, we want to remind the nation that we have paid for everything from the Bush tax cuts, to the forever wars in Iraq and Afghanistan, to the Trump tax cuts, with deficits. It is about time we put our spending to use — making life better, easing suffering, and investing in our future.

These nay-sayers will declare that the U.S. economy is doing fantastic. The first quarter of 2019 had the fastest annualized growth rate (3.2%) since 2015. The unemployment rate is down to 3.6%, the lowest in nearly 50 years. Average earnings are finally outpacing inflation, with the fastest increases happening at the bottom end of the wage scale. The stock market is hitting record highs. They question us saying, with all these positive signs, the poverty data you report are likely far outdated and you are overstating the need for the generous welfare and job creation programs you're calling for.

But we must respond with the fact that average hourly pay rose just 6 cents in April 2019 and 4 cents the month before that, after taking 400 years since 1519 to go from zero dollars to $7.25 today. That is not prosperity! In fact, after wages have stagnated for so long, they will need to increase a lot more for working people to get their fair share of economic gains, and so they can meet their needs. At a rate of six cents per month, it would take more than 10 years for today's minimum wage of $7.25 to reach $15 per hour. Such small pay increases will not chip away at the country's $1.6 trillion in student debt, and overall consumer debt of nearly $4 trillion — a burden leading one in 15 borrowers to consider suicide. And we must not forget wages have also lagged far behind the increase in corporate profits.

We must also question who benefits from economic growth. The GDP may be increasing, but those gains are not making their way into the hands and pockets of the majority of people in the United States. We do not measure a society by the wealth huge corporations are able to store away to enrich and engorge themselves, but by the life and livelihood of the poorest residents. And with nearly half of the U.S. population experiencing poverty, the economy is not benefiting the people. But it could.

Our critics assert that raising taxes on corporations and the wealthy will be a drag on investment and job creation. They tell us keeping taxes low is the best way to keep our economy humming.

But we are called to respond to this critique. The Trump tax cuts have failed to create jobs in meaningful numbers. Instead, corporations have used most of their windfalls to enrich wealthy shareholders and CEOs, blowing a record-setting $1 trillion in stock buybacks that inflate the value of their shares. And we want to remind people of history: in the 1950s and 1960s, corporations contributed as much as three times the share of federal revenues as they do today, with no job-killing effects.

The nay-sayers state that wealthy Americans and corporations should not be forced to give up their hard-earned money to taxation. They claim that when necessary, alleviating poverty is best done through private charity.

But we counter that there is no such thing as a self-made person. Every wealthy person benefited from a system of public investment, including infrastructure, educational systems, and the rule of law, without which their wealth would not be possible. Indeed, it is only fair that they contribute back to the system that made their wealth possible. And we question the effectiveness of charity to address significant social problems. While it is a good thing to be generous, in many cases charities actually inscribe the very inequalities they often seek to address. Furthermore, poverty and inequality are created by policy, and must be remedied by policy, not pity.

We also must point out that the legacy of ongoing racism, from slavery through Jim Crow, and to today's mass incarceration and public disinvestment means that people of color have never had access to the same opportunities as White people, and it is the responsibility of society to be equitable. Basic living standards like adequate housing, health care, education, safe drinking water, and access to work and fair wages are rights, not privileges. A moral society will guarantee these to ALL people.

And there are many nay-sayers who worry about us shifting funds from the military to social programs. They claim that a strong military keeps us safe in a dangerous world. They tell us that the threat of China, Russia, Iran, North Korea, Venezuela, ISIS, and terrorism can only be defeated through maintaining the strongest military force the world has ever seen. That our military guarantees our freedom and fights for the freedom of peoples all over the world.

But we are compelled to reply that our forever wars in Iraq and Afghanistan have made the world more dangerous. Our military actions have led to the creation of new terrorist factions, built resentment and fear of the United States, and led to death and suffering for thousands of Americans and hundreds of thousands of people around the world.

Our spending on war and violence is arresting our ability to provide true security and well-being at home. Since 2001, we have spent $4.9 trillion and counting[11] on war in the Middle East with nothing to show for it. That amount would be enough to provide comprehensive health insurance for every uninsured and underinsured American for more than 16 years.[12] Our current military spending of $716 billion in 2019 is higher than at the peak of the Vietnam War, the Korean War, or the Reagan buildup of the 1980s.[13] Our foreign policy is the most militarized in the world. The United States has 90-95% of the world's foreign military bases; more than 40% of the world's nuclear weapons; and spends more on our military than the next seven countries combined. We could cut our military spending

11 Counting only spending through FY2019, and excluding future costs for veterans' health and interest on the debt.

12 According to estimates by the University of Massachusetts PERI Institute for Medicare for All spending, insuring all uninsured and underinsured Americans would cost approximately $300 billion per year, at current system costs (e.g. before any single payer cost efficiencies.)iPollin et al., "Economic Analysis of Medicare for All," 37. Insuring all uninsured and underinsured Americans would cost approximately $300 billion per year, at current system costs (e.g. with no cost savings).

13 "A Budget for a Better America," Budget of the United States Government Fiscal Year 2020, March 11, 2019, https://www.govinfo.gov/content/pkg/BUDGET-2020-BUD/pdf/BUDGET-2020-BUD.pdf.

to $400 billion or less per year, and still spend more than China, Russia, Iran, and North Korea, combined.[14]

But the nay-sayers keep coming! They say: But the jobs – the military provides a proud career path for many Americans, and military contractors provide good jobs in communities across the country.

To this we must respond: for every job created by military investment, more jobs could be created by making that same investment in health care, infrastructure, clean energy, or education. Investment in wind energy could create 21% more jobs compared to military spending, and investment in elementary and secondary education could create 178% more jobs.

The Poor People's Moral Budget counters these and other narratives that the Poor People's Campaign: A National Call for Moral Revival confronts. We challenge the idea that poverty is the fault of the poor, rather than structures in society that impoverish and oppress millions. We question the notion that poverty and prosperity are a zero-sum game: we do not need to steal from Peter to pay Paul, or raise taxes on the middle strata in order to pay for programs for the poor; and we disagree outright that there aren't enough resources to pay for what we need.

Because poverty is caused by structures and immoral policies, it will take moral policies and larger social transformation to lift the load of poverty. In this Budget, we show that if we raise taxes on those who can most afford to pay them, forgive debts of those who can least afford to pay them, and cut funds from the military, we can lift the whole society up, and create community security and community prosperity. This Budget shows that our demands are possible, and that if they are implemented, all of society will prosper. When you lift from the bottom, everyone rises.

We are presenting this Budget now, because we are witnessing a movement swearing that America will be being born anew in this moment, right in the midst of the deferred dreams and hopes of the poor. It has become clear that people are ready to come together and demand truth, love, and justice, and debunk the lies of scarcity and inevitable, unchangeable poverty.

In times such as these, we must confront "states' rights" arguments that have been used to justify slavery, welfare reform, and other draconian policies. We do not need to lower wages in one region to raise wages in another; we do not need to deny health care to people in one state in order to have welfare programs for people in another state. Extremist politicians do not need to stand in a ditch in order to keep their foot on people's neck, keeping themselves and everyone in their state down in order to declare some sort of superiority or supremacy.

This Budget is not an endorsement of any specific policy and it is not a policy prescription. It is, instead, an effort to offer a broader, bigger way to imagine society than our current public discourse and framing. The Poor People's Campaign: A National Call for Moral Revival will continue to raise the issues, organize people, and build power in order to transform society and enact a moral agenda that

14 "Military Expenditure by Country," Stockholm International Peace Research Institute (SIPRI), accessed May 22, 2019, https://www.sipri.org/databases/milex. Military expenditures for China, Russia, and Iran; "World Military Expenditures and Arms Transfers 2018: Bureau of Arms Control, Verification and Compliance," United States Department of State, accessed May 23, 2019, https://www.state.gov/world-military-expenditures-and-arms-transfers-2018/. Military expenditures for North Korea in U.S. dollars from U.S. State Department for 2016.

puts people first and challenges the intersecting injustices of systemic racism, poverty, ecological devastation, militarism and the war economy, and the distorted moral narrative because the 140 million people living an American nightmare are not only the hope of the poor. The least of these, who are, in actuality, most of us, can lead the whole country out of this pain and suffering. The rejected are leading a moral and economic revival.

In the words of Langston Hughes, who wrote this back in 1935,

O, yes,
I say it plain,
America never was America to me,
And yet I swear this oath—
America will be!

Out of the rack and ruin of our gangster death,
The rape and rot of graft, and stealth, and lies,
We, the people, must redeem
The land, the mines, the plants, the rivers.
The mountains and the endless plain—
All, all the stretch of these great green states—
And make America again!

INVESTMENTS IN

DEMOCRACY & EQUAL PROTECTION UNDER THE LAW

INVESTMENTS IN DEMOCRACY &
EQUAL PROTECTION UNDER THE LAW

POOR PEOPLE'S CAMPAIGN DEMANDS

1. We demand the immediate full restoration and expansion of the Voting Rights Act, an end to racist gerrymandering and redistricting, early registration for 17-year-olds, automatic registration at the age of 18, early voting in every state, same-day registration, the enactment of Election Day as a holiday, and a verifiable paper record. We demand the right to vote for the currently and formerly incarcerated.

2. We demand adequate funding for polling places to accommodate the full participation of the electorate.

3. We demand statehood, voting rights and representation for the residents of Washington D.C.

4. We demand the reversal of state laws preempting local governments from passing minimum wage increases, and the removal of Emergency Financial Management positions that are unaccountable to the democratic process.

5. We demand that First Nations, Native Americans and Alaskan Native people retain their tribal recognition as nations, not races, to make substantive claims to their sovereignty.

6. We demand a clear and just immigration system that strengthens our democracy through the broad participation of everyone in this country. This includes providing a timely citizenship process that guarantees the right to vote. It also requires protecting immigrants' abilities to organize for their rights in the workplace and in their communities without fear of retribution, detention, and deportation.

7. We demand equality and the safety of all persons, regardless of sexual orientation and gender identity.

8. We demand equal treatment and accessible housing, health care, public transportation, and adequate income and services for people with disabilities.

KEY FINDINGS

- Transitioning to automatic, online voter registration would cost just $150 million per year for five years. That's less than the $173 million the top two individual political donors contributed in the 2016 election.[15]

- There is a solid economic case for the moral imperative to expand democratic rights. For example, restricting the voting and civil rights of the formerly incarcerated has cost the state of Florida an estimated $385 million per year due to administrative and court costs, and increased recidivism.

- Comprehensive immigration reform would allow millions of families to live in security — and result in a net gain for the federal budget. One immigration proposal in Congress would cost the federal government around $26 billion per year, but those costs would be more than balanced by the $46 billion per year in increased revenues from income and payroll taxes.

The United States has a long history of denying basic rights to people of color, beginning with the genocide and dispossession of Indigenous and Native people, and more than 300 years of legalized slavery. Even as we claimed to be created equal, systemic racism made it very clear that we were not all treated equally economically, politically, or socially.

This was also true for many immigrants, women, LGBTQIA people, people with disabilities, and people at the intersections of these demographics. Systemic racism undermined the basic tenets of our social contract – to be governed by the will of the people, the good of the whole, and equal protection under the law. It allowed for the fundamental values of our moral and faith traditions that care for our neighbors, the widows, orphans, and the poor to be cast out in favor of an extreme White nationalism. This extremism often works against the same people whom it claims to protect.

Our democracy is plagued by disillusionment and distrust spurred by generations of disenfranchisement, indifference toward, or the outright vilification of excluded people by elected officials. In the 21st century, two presidential elections have been decided by the Electoral College, contradicting the popular vote. In 2018, in an election where voter turnout reached its highest level in a midterm election in 100 years, more than half of eligible voters did not turn out to vote.[16] Millions of Americans were excluded from voting due to past felony convictions. In a system that actively discourages participation, and where candidates neglect to address true problems of poverty and inequality, it is no wonder that many people feel so disconnected.

15 "Top Individual Contributors: All Federal Contributions," Center for Responsive Politics, accessed May 21, 2019, https://www.opensecrets.org/overview/topindivs.php?cycle=2016&view=fc.
16 Emily Stewart, "2018's Record-Setting Voter Turnout, in One Chart," *Vox*, accessed November 19, 2018, https://www.vox.com/policy-and-politics/2018/11/19/18103110/2018-midterm-elections-turnout.

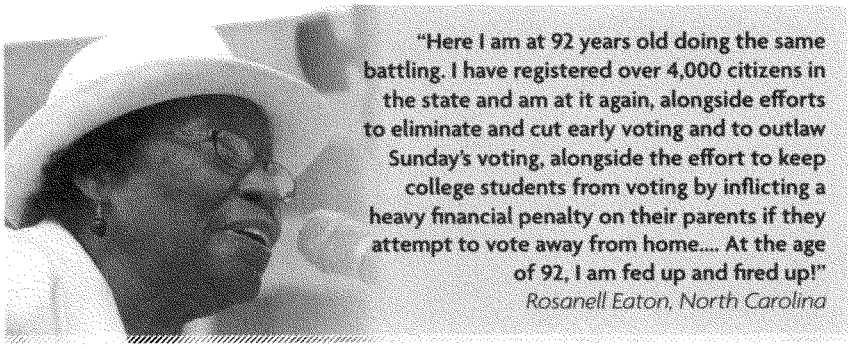
It is, therefore, no accident that of the over 140 million people who are poor and low-income in the U.S., more than 72 million are people of color, including 60.4% of Black people, 64.1% of Latinx people, and 58.9% of Indigenous and Native people.[17] It is no accident that more than 45% of communities living within three miles of highly contaminated "Superfund" sites are poor communities of color.[18] It should be no surprise that these are the same people who are being systemically prevented from expressing their political voice in our democracy: because they are excluded from our political system, their interests are not being represented, or even claimed to be represented.

RESTORING DEMOCRACY

Voting Rights

Any racial discrimination in voting is anathema to the guarantees of the U.S. Constitution and our moral obligations to one another. Yet, more than 50 years after the Voting Rights Act was passed, people of color still experience a broad range of attacks on their voting rights. Racialized voter suppression tactics have dramatically intensified in the past decade, curtailing the democratic freedoms of millions in the U.S. by creating barriers to voting along race and class lines.

In the 2013 Shelby County v. Holder case, the Supreme Court gutted key provisions of the Voting Rights Act (VRA), including the important "pre-clearance" requirement. Pre-clearance had mandated that state and localities with a history of voting discrimination seek pre-approval from the federal government to ensure that any changes to voting processes were not racially discriminatory before those changes could take effect.



"Here I am at 92 years old doing the same battling. I have registered over 4,000 citizens in the state and am at it again, alongside efforts to eliminate and cut early voting and to outlaw Sunday's voting, alongside the effort to keep college students from voting by inflicting a heavy financial penalty on their parents if they attempt to vote away from home.... At the age of 92, I am fed up and fired up!"
Rosanell Eaton, North Carolina

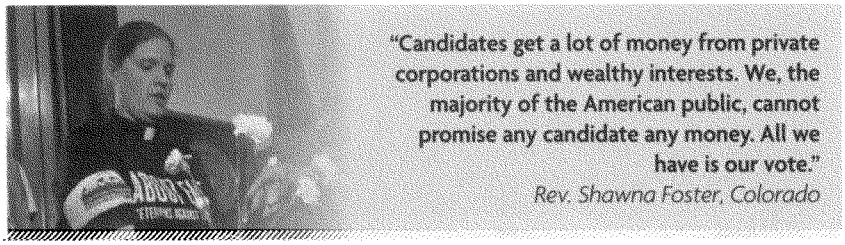
17 The supplemental poverty measure calculated by the U.S. Census Bureau adjusts traditional poverty statistics to account for important factors such as some forms of federal assistance, geographic differences in cost of living, and out of pocket costs for food, housing, clothing, and utilities. Under this alternative measure, a family of four with two adults and two children who rented their home was in poverty if they made less than $27,005 in 2017. However, the poverty threshold alone does not capture the economic vulnerability of those living just above the poverty line, who could easily fall into poverty if they face an unexpected cost, such as a medical problem. These vulnerable individuals and households, living at 100-200% of the poverty threshold, are technically categorized as low-income. About 140 million people, or 43% of the U.S. population, have annual income less than twice the SPM.
18 "Population Surrounding 1,836 Superfund Remedial Sites," U.S. EPA, Office of Land and Emergency Management Estimate, October 2017, https://www.epa.gov/sites/production/files/2015-09/documents/webpopulationrsuperfundsites9.28.15.pdf

By removing this provision, the floodgates were opened for state attacks on voting rights, including: cuts to early voting, passage of restrictive voter ID requirements, purged voting rolls and challenges to voters, closed polling locations, reduced language access, and additional requirements for documentary proof of citizenship.[19] Following Shelby, 14 states had new voting restrictions in place before the 2016 Presidential election and there were 868 fewer polling places across the country.[20]

Since 2010, at least 25 states have passed racist voter suppression laws including racist gerrymandering and redistricting laws that make it harder to register, reduced early voting days and hours, purging of voter rolls, and more restrictive voter ID laws.[21]

While these laws have disproportionately targeted Black people, voter suppression tactics also targeted Indigenous and Native voters in 2016.

Investing in full democracy will necessarily require the full restoration of the VRA, including the principle of "pre-clearance." This will mean increasing funding for the Voting Rights Section of the Civil Rights Division of the U.S. Department of Justice to review, investigate and, where appropriate, object to proposed changes to voting processes from covered jurisdictions.[22] It will also mean some increased administrative costs for the U.S. District Court for the District of Columbia and the U.S. Supreme Court. These costs, however, will be offset by reductions in the litigation and administrative costs from civil rights cases brought in previously covered jurisdictions that lost the protection of pre-clearance. Litigating these highly complex cases is expensive, and poses an increased administrative burden on the federal courts at the trial, appellate, and Supreme Court levels.

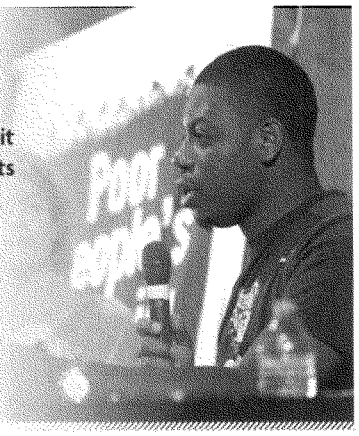


"Candidates get a lot of money from private corporations and wealthy interests. We, the majority of the American public, cannot promise any candidate any money. All we have is our vote."
Rev. Shawna Foster, Colorado

This is similarly true with ensuring fair voting districts. Ending racist gerrymandering and redistricting will not impose additional costs on the federal (or state) governments.[23] It may, however, provide federal savings by reducing administrative costs for federal courts that oversee cases in which unconstitutional racial gerrymandering is alleged, as well as state savings by reducing the high costs that state governments incur when they choose to defend racially discriminatory maps.

19 See "An Assessment of Minority Voting Rights Access in the United States," U.S. Commission on Civil Rights, September 12, 2018, https://www.usccr.gov/pubs/2018/Minority_Voting_Access_2018.pdf.
20 "The Great Poll Closure," The Leadership Conference Education Fund, November, 2016, http://civilrightsdocs.info/pdf/reports/2016/poll-closure-report-web.pdf.
21 "New Voting Restrictions in America," Brennan Center for Justice, accessed May 22, 219, http://www.brennancenter.org/new-voting-restrictions-america.
22 For the process by which the DOJ administers the preclearance process, see 28 C.F.R. Part 51, https://www.law.cornell.edu/cfr/text/28/part-51.
23 *See* "An Assessment of Minority Voting Rights Access in the United States," U.S. Commission on Civil Rights, September 12, 2018, https://www.usccr.gov/pubs/2018/Minority_Voting_Access_2018.pdf.

"I first started voting in 2014, but the university was racially packed into North Carolina's 12th district, a district that was shot down by the courts in 2016. So, they redrew the lines, but split our campus as a result of it. And while the courts have agreed that these maps are unfair, they're requiring us to vote in them anyway. The first time I vote in fair, congressional districts won't be until 2020. I refuse to sit by without a fight. I voted early last week and I'm encouraging anyone who hasn't voted yet to do the same."
Braxton Brewington, North Carolina

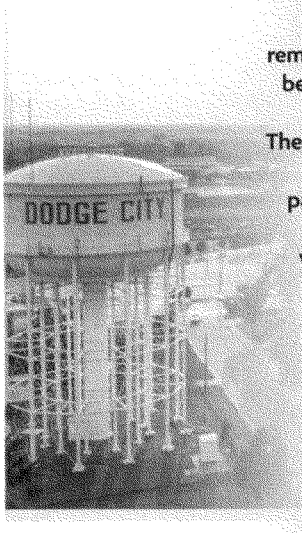


The "For the People Act" introduced in 2019 (H.R. 1)[24] goes a long way toward restoring the Voting Rights Act; however, states will still need to take on the responsibility of implementing some of these key investments. For instance, determining adequate funding for polling places is likely to fall within the purview of state governments. Depending on the state and the type of election, there is variation among states as to how the cost of administering elections is allocated between local and state governments,[25] which makes calculating the cost of funding polling places difficult. According to 2016 data collected by the U.S. Election Assistance Commission through the biennial Election Administration and Voting Survey (EAVS), there is wide variation in how voters are allocated to polling places. Excluding the three states that send all voters a ballot by mail (Colorado, Oregon, and Washington), nearly half of reporting jurisdictions allocated fewer than 1,000 registered voters per polling place, and only one in four jurisdictions allocated an average of more than 2,000 registered voters per polling place.[26]

All people need access to nearby and adequately funded polling places, but people with disabilities face heightened challenges to meaningful participation in democratic processes. This is especially true when polling stations are closed, hours are restricted, and early registration and other limitations are placed on voter participation.[27] Democratic participation and equal protection for people with disabilities means full physical access and transportation to polling places, fully functional accessible voting machines, fully trained poll workers, full privacy in voting, full access to registration and election materials, and full enfranchisement of people with intellectual, developmental or psychological disabilities, including ID requirements that are appropriate for people with disabilities.[28]

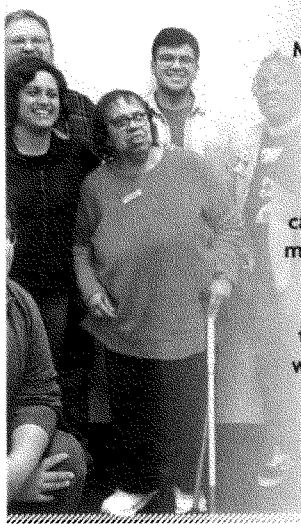
24 Rep. John P. Sarbanes, "H.R.1 - For the People Act of 2019," 116th Congress, accessed May 22, 2019, https://www.congress.gov/bill/116th-congress/house-bill/1.
25 "Election Costs: What States Pay," National Conference of State Legislatures (NCSL), August 3, 2018, http://www.ncsl.org/research/elections-and-campaigns/election-costs.aspx.
26 "EAVS Deep Dive: Poll Workers and Polling Places," Election Assistance Commission (EAC), November 15, 2017, https://www.eac.gov/documents/2017/11/15/eavs-deep-dive-poll-workers-and-polling-places/.
27 The 2018 Jobs and Justice Act would have made mid-term and presidential elections federal holidays.
28 Voters with disabilities are less likely to drive and carry a driver's license.

DODGE CITY LOSES ITS LAST POLLING PLACE



Dodge City captured national attention in 2018 when the ACLU sued the city for moving its only remaining polling site outside of the city limits. The majority-minority city of 29,000, with an electorate of 14,000, went from 12 polling places down to just one that remained open for the 2018 elections. Most of these had been closed because they were deemed to not be ADA compliant, a claim that local voting activists contest. The one remaining polling place was not easily accessible to its electorate, especially to Latinx voters, making participating in the vote more difficult: even in the low turnout election, where more than half of voters had voted early, on Election Day, there was still an average 45 minute wait at the single polling station.

Alejandro Rangel-Lopez, a high school student and named plaintiff, testified at a Poor People's Campaign field hearing in Topeka, Kansas, in 2018: "Our voters have just one polling place, and it is located in one of the few affluent and White areas of town, making it the most burdened polling location in Kansas."



The irony of these poll closures is that voters with disabilities still have significant barriers to vote. Mignon Luckey is a 63-year old resident of Dodge City, who is herself living with disabilities and works at the Prairie Independent Living Resources Center. "I was a rubella baby, born blind and without a spine. Doctors said they could have wrung me out like a dish towel. The materials at the polls are in such small print – I can't read without visual aid equipment. I use a 5 times magnifying glass, I need a monocular and have a Pebble HD that makes it possible to read. And all this costs almost $800. Poor people don't have the money for this equipment. Something has to be done for people with disabilities to live, to do what they want to do, to live where and how they want to live, and to vote."

Dodge City has since opened at least 2 more additional polling stations.

Automatic Voter Registration and Same Day Registration

Even with functioning and accessible polling stations, it will still be necessary to register voters. The Congressional Budget Office (CBO) estimates that implementing online and automatic voter registration would cost about $750 million over five years.[29] This would primarily support the federal Election Assistance Commission (EAC) to provide grants to states to create, protect, and improve voting systems to allow people to update their voter information online or through automated telephone-based systems. With automatic registration in place, same-day voter registration would likely impose negligible additional costs.

A study of early voting in New York, the 4th most populous state in the U.S., calculated a cost of about $12.5 million statewide in the first year for a 12-day period of early voting, and an additional $3.4 million per additional election.[30] As a rough calculation, taking the New York cost of 64 cents per person the first year, and 17 cents per person for each additional election, early voting for the entire U.S. could cost around $211 million the first year, and $57 million for each additional election. Pre-registration of young voters is another measure to expand the right to vote, especially given that many 18 year olds, though legally eligible to vote, are not registered at the time of elections. Currently, only 26 states allow individuals to pre-register to vote if they will turn 18 by the next election, and 14 states plus D.C. permit pre-registration starting at 16 years old.[31] Analyses of pre-registration bills in Washington and Maryland found negligible fiscal impact for the states,[32] though implementation of pre-registration in Colorado (allowing pre-registration of 16- and 17-year-olds) was estimated at $572,112 in 2013.[33] In fact, more than 15 states already allow 17-year-olds to vote in electoral primaries.[34]

A CBO analysis found that efforts to improve voting technology, reduce cybersecurity vulnerabilities, and update voting systems to produce individual and auditable paper ballots, would amount to about $1.5 billion over five years.[35]

Restoring Voting Rights to Disenfranchised Voters

In 2018, the people of Florida voted to restore voting rights to people convicted of felonies who had served their time and exited the criminal justice system. Today, the newly granted rights of convicted felons in Florida are under threat again, as lawmakers attempt to restrict their eligibility to vote based on unpaid court fees.

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29 "Cost Estimate: H.R.1 For the People Act of 2019," Congressional Budget Office (CBO), March 1, 2019, https://www.cbo.gov/system/files/2019-03/hr1.pdf.

30 Caroline Iosso et al., "The Cost of Progress for New York's Voters," Citizens Union of the City of New York, May, 2018. http://citizensunion.org/portfolio-item/the-cost-of-progress-for-new-york-voters/.

31 "Preregistration for Young Voters," National Conference of State Legislatures (NCSL), February 12, 2019, http://www.ncsl.org/research/elections-and-campaigns/preregistration-for-young-voters.aspx.

32 "Voter Pre-Registration," FairVote, accessed May 22, 2019, https://www.fairvote.org/voter_pre_registration.

33 "Preregistration for Young Voters," National Conference of State Legislatures (NCSL), February 12, 2019, http://www.ncsl.org/research/elections-and-campaigns/preregistration-for-young-voters.aspx.

34 "Why Should We Lower the Voting Age to 16?," FairVote, https://www.fairvote.org/why_should_we_lower_the_voting_age_to_16.

35 "Cost Estimate: H.R.1 For the People Act of 2019," Congressional Budget Office (CBO), March 1, 2019, https://www.cbo.gov/system/files/2019-03/hr1.pdf.

As of 2016, the Sentencing Project estimates that over 6.1 million Americans remained disenfranchised due to felony convictions; less than one-fourth of this population is currently incarcerated, meaning that about 4.7 million people are free, but cannot vote.[36]

> **"Thousands like myself have been denied the right to vote because of a felony conviction, but this does not alleviate us from paying taxes to a state or country where we also have no elected representation. I should not be taxed until I have a voice, a political voice, within this government, or the government needs to immediately cease all taxes being imposed upon me and the thousands who cannot vote due to probation, parole, or being currently incarcerated."**
>
> *Ruby Welch, Arkansas*

Expanding the franchise to include those who are formerly incarcerated could actually save states money. Formerly incarcerated people now have a variety of uncertain paths to regaining their voting rights, ranging from onerous paperwork to clemency-like hearings. States will no longer have to pay these administrative costs if the rights of people with convictions are automatically restored. Rights restoration for returning community members is also linked to lower recidivism rates, which would result in economic benefits to both state and national economies.[37]

Two states – Maine and Vermont – currently allow people to vote while they are incarcerated.[38] Expanding the franchise to those who are currently incarcerated would be a powerful means of reversing the "civil death" that all too often comes with imprisonment in the United States.[39]

> **"After 3 years in the Navy, I found a minimum wage job, lived at home, and we still struggled very much. Many of my friends were in the streets living better than us. So, I decided to join my friends, making money any way I can. I ended up catching a case and going to prison for 18 years. I got out of prison in 2014 determined to become a better person, a better citizen. Went to work at a steel plant. Paid my fines, got my driver's license, and I registered to vote. That's when I found out that even being a veteran, having a felony meant I couldn't vote in the state of Alabama."**
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> *Tim Lanier, Alabama*

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36 Christopher Uggem, Ryan Larson, and Sarah Shannon, "Six Million Lost Voters: State-Level Estimates of Felony Disenfranchisement, 2016," Sentencing Project, October 6, 2016, https://www.sentencingproject.org/publications/6-million-lost-voters-state-level-estimates-felony-disenfranchisement-2016/#IV.%20Disenfranchisement%20and%20Restoration%20of%20Civil%20Rights.

37 Mary E. Klas, "Price Tag for Restricting Felons' Rights After Prison Put a $385 Million a Year," Miami Herald, last modified May 21, 2018, https://www.miamiherald.com/news/politics-government/election/article211408754.html.

38 See Jacey Fortin, "Can Felons Vote? It Depends on the State," *New York Times*, April 21, 2018, https://www.nytimes.com/2018/04/21/us/felony-voting-rights-law.html.

39 Vann R. Newkirk II, "Polls for Prisons," *The Atlantic*, March 9, 2016. https://www.theatlantic.com/politics/archive/2016/03/inmates-voting-primary/473016/.

No Taxation without Representation

To this day, residents of Washington, D.C. and each of the five major occupied territories are represented in Congress only by non-voting members. The push for statehood has been a longstanding demand in Washington, D.C., where over 700,000 residents endure "taxation without representation" in the legislative branch of the federal government. This is despite having a larger population than two states (Wyoming and Vermont), which nevertheless enjoy representation by two Senators in the Senate and a representative each in the House.

The National Taxpayers Union has estimated the cost of statehood at just $9 million, based on the cost of resources provided to two new Senators and converting the existing delegate position to Representative. Because Congress has long prohibited the District from imposing a nonresident income tax, the removal of this constraint as a result of D.C. gaining statehood could bring in as much as $2.26 billion in additional annual revenues.

Despite automatic U.S. citizenship for people born in four of the five U.S. territories (with the exception of American Samoa,[40] citizens in those four territories can vote only in presidential primaries, and have no vote in presidential general elections. These millions of U.S. citizens are denied the right to vote for the U.S. president, congressional representation that could fight for their interests, and the basic right of self-determination. This includes the 3.4 million people living in Puerto Rico, which constitutes a larger population than 21 fully recognized states.

One of the gravest human rights crisis of 2017 was the impact of Hurricane Maria on Puerto Rico and the U.S. Virgin Islands. Almost the entire island of Puerto Rico lost access to electricity after the hurricane, and only 43% of the island's residents had access to electricity two months after the hurricane.[41] By way of comparison, about 85% of the world's population has access to electricity.[42]

The loss of electricity shut down hospitals and clinics, the island's emergency phone number, and left nearly half of island residents without access to safe drinking water a week after the hurricane.[43]

A recent study by researchers at the University of Michigan found that the federal response to Hurricanes Maria and Irma on Puerto Rico was slower and less generous in providing funds and staffing compared to hurricane responses in Texas and Florida.[44]

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40 People born in American Samoa are only considered U.S. nationals, and must go through the regular application process if they want to become citizens

41 Josh Michaud and Jennifer Kates, "Public Health in Puerto Rico after Hurricane Maria," Kaiser Family Foundation, November 17, 2017, https://www.kff.org/other/issue-brief/public-health-in-puerto-rico-after-hurricane-maria/.

42 "Access to Electricity," World Bank, accessed May 22, 2019, https://data.worldbank.org/indicator/EG.ELC.ACCS.ZS.

43 Amanda Holpuch, "Hurricane Maria Pushes Puerto Rico's Struggling Hospitals to Crisis Point," *The Guardian*, September 27, 2017, https://www.theguardian.com/world/2017/sep/27/puerto-rico-faces-a-health-crisis-made-worse-as-majority-of-hospitals-are-inadequate.

44 Charley E. Willison et al., "Quantifying Inequities in US Federal Response to hurricane Disaster in Texas and Florida Compare with Puerto Rico," *BMJ Global Health* 4, no. 1 (2019), https://doi.org/10.1136/bmjgh-2018-001191.

This disaster occurred against a pre-existing backdrop of disenfranchisement and inequality. In 2016, Congress passed a bill called PROMESA that set up an unelected financial control board to restructure Puerto Rico's economy to pay debts to Wall Street. At the same time that the island struggled to recover and rebuild from the 2017 hurricanes, the control board instituted severe austerity measures, including school closures, cuts to University of Puerto Rico funding and a tuition hike, work requirements for the island's public food program, and cuts to currently mandated employee benefits like sick and vacation pay.[45]

Puerto Rico's economic crisis has been spurred by U.S. policy, including enforcement of the Jones Act, which requires naval shipments of goods between two points in the United States to be made with U.S.-owned and built ships, with U.S. personnel. For most states in the contiguous United States, this causes no serious problems. But for Puerto Rico, which imports upwards of 85% of its food and many other supplies, it affects everything.[46]

Representation would not have secured Puerto Rico from Hurricane Maria, but democratic rule and the right to self-determination may have prevented its resources going to Wall Street instead of towards critical infrastructure development, and it may have encouraged a faster and more robust response to the hurricane's aftermath.

Ending Emergency Management

Emergency manager laws present the situation where existing voting rights may effectively be nullified through state appointed emergency managers. In a political system built on checks and balances, emergency managers have unchecked power and no accountability to the communities they are supposed to serve. While states ostensibly only institute emergency management in cases where cities are on the brink of financial collapse, those managers in fact wreak all kinds of havoc that further degrades city finances: emergency managers have turned local school systems over to for-profit charter school companies and sold off school playground equipment,[47] broken union contracts and cut retiree benefits, and single-handedly instituted privatization of city services.[48]

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45 Vann R. Newkirk II, "Puerto Rico Enters a New Age of Austerity, *The Atlantic*, May 5, 2018, https://www.theatlantic.com/politics/archive/2018/05/puerto-rico-enters-a-new-age-of-austerity/559565/.

46 "Report by the Task Force on Puerto Rico, in Support of Permanently Exempting Puerto Rico From the Jones Act," The Association of the Bar of the City of New York, May 11, 2018, https://www.nycbar.org/member-and-career-services/committees/reports-listing/reports/detail/support-for-permanently-exempting-puerto-rico-from-the-jones-act.

47 Chris Savage, "Poor Communities in Michigan Still Paying the Costs of Emergency Managers. One of Them Sold Off the School Playground Equipment," Eclectablog, April 2, 2018, https://www.eclectablog.com/2018/04/poor-communities-in-michigan-still-paying-the-costs-of-emergency-managers-one-sold-off-the-school-playground-equipment.html.

48 Chris Savage, "The Scandal of Michigan's Emergency Managers," The Nation, February 15, 2012, https://www.thenation.com/article/scandal-michigans-emergency-managers/.

Decisions by an emergency manager led to the water safety crisis in Flint, Michigan. Michigan has one of the most far-reaching emergency manager laws in the country. It authorizes, in some cases, the removal of all locally elected officials. Over a 10-year period, more than half of the state's Black residents have fallen under the authority of a non-elected official.[49]

The catastrophic Flint water crisis brought this law under severe public scrutiny. In 2011, the state of Michigan appointed an emergency manager over the city of Flint, stripping power from local government over claims of financial mismanagement.[50] The salary for the emergency manager was set by the state at $170,000, but paid for by Flint and nearly double its mayor's salary.[51]

In 2012, Flint's city managers decided to borrow tens of millions of dollars in the city's name to help finance the construction of the Karegnondi Water Authority, a new water pipeline in the region.[52] In order to facilitate the pipeline's development, Flint's emergency manager decided to shift its source of water from the Detroit River to the Flint River.[53] This decision was in part made to save an estimated $5 million.[54] As a result of that switch, Flint's 99,000 residents experienced high levels of lead in their drinking water and continue to suffer the consequences.[55] They found spiked lead levels among children and other lasting health issues associated with lead exposure.[56] In 2016, two of Flint's former emergency managers were charged with felonies of false pretense and conspiracy for their role in the crisis.[57]

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49 Jessica Welburn and Louise Seamster, "How a Racist System Has Poisoned the Water in Flint, Mich.," *The Root*, January 1, 2016, https://www.theroot.com/how-a-racist-system-has-poisoned-the-water-in-flint-mi-1790853824; see also, "A Review of Michigan's Local Financial Emergency Law," Michigan State University Extension: Center for Local Government Finance and Policy, April 21, 2017, https://www.canr.msu.edu/uploads/resources/pdfs/michigan_em_law_review.pdf.

50 Dominic Adams, "Flint Still Faces Financial Questions After Years of Emergency Management, *MLive*, April 17, 2018, https://expo.mlive.com/erry2018/04/e506e2e1bc5060/did_emergency_management_in_wo.html. Researchers at Michigan State University have since offered evidence that the Michigan state government, and most every state, generally shares a significant portion of responsibility for local economies, constrains a city's ability to raise revenue and offers little financial support during state-appointed emergency management. See, Joshua Sapotichne et al., "Beyond State Takeovers: Reconsidering the Role of State Government in Local Financial Distress, with Important Lessons for Michigan and its Embattled Cities," Michigan State University Extension, August 31, 2015, https://www.canr.msu.edu/uploads/resources/pdfs/beyond_state_takeovers.pdf.

51 Kristin Longley, "State-Appointed Emergency Managers Make Six Figures at Local Community's Expense," *MLive*, last modified December 27, 2011, https://www.mlive.com/news/flint/2011/12/state-appointed_emergency_mana.html.

52 Sara Ganim and Sarah Jorgensen, " Four More Charged in Flint Water Crisis, *CNN*, last modified December 20, 2016, https://www.cnn.com/2016/12/20/health/flint-water-crisis-four-more-charged/index.html.

53 "Flint Water Crisis Fast Facts," *CNN*, last modified April 23, 2019, https://www.cnn.com/2016/03/04/us/flint-water-crisis-fast-facts/index.html.

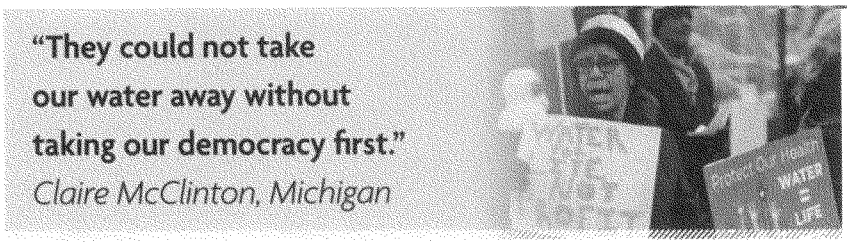
54 Josh Sandburn, "Flint Water Crisis May Cost the City $400 Million in Long-Term Social Costs, *Time*, August 8, 2016, http://time.com/4441471/flint-water-lead-poisoning-costs/.

55 "Flint Water Crisis Fast Facts," *CNN*, last modified April 23, 2019, https://www.cnn.com/2016/03/04/us/flint-water-crisis-fast-facts/index.html.

56 Michelle Chen, "Flint Is Finally Moving to Help Kids Recover from Lead Poisoning's Toxic Legacy, *The Nation*, April 27, 2018, https://www.thenation.com/article/flint-is-finally-moving-to-help-kids-recover-from-lead-poisonings-toxic-legacy/.

57 Sara Ganim and Sarah Jorgensen, " Four More Charged in Flint Water Crisis, *CNN*, last modified December 20, 2016, https://www.cnn.com/2016/12/20/health/flint-water-crisis-four-more-charged/index.html.

The estimated costs of this poisoning include: the private costs of hospitalization and treatment for residents of Flint; the estimated $400 million in costs to the city because of the long-term social consequences of lead poisoning[58]; the many millions of dollars in legal fees, lawsuits and settlements, including $97 million paid by the state[59] to replace water lines and $4.1 million to create a registry of impacted children[60]; and the costs for federal intervention, including $100 million in an EPA grant for infrastructure updates.[61] And this is only a partial account of the true costs of the crisis.



The experience in Flint shows that when communities lose political power and the ability to engage in democracy, their most basic needs are compromised in favor of undemocratic, and often disastrously unaccountable and costly, leadership. Indeed, five years later, Flint still does not have clean water.

EQUAL TREATMENT UNDER THE LAW

A democracy that takes seriously the assertion that we are all created equal must address inequalities due to citizenship status, gender and sexual orientation, as well as the injustices waged against Indigenous and Native people in the U.S.

Immigration Reform

As a nation, we have allowed the creation of an immigration system that hurts people, separates families, and continues to deny dignity and security to people seeking a better future.

The human toll of our current system of immigration is immense. Undocumented workers are exploited in the labor force without the ability to demand their rights, receive fair pay, or have access to healthcare. People are locked up in for-profit detention centers as they await deportation

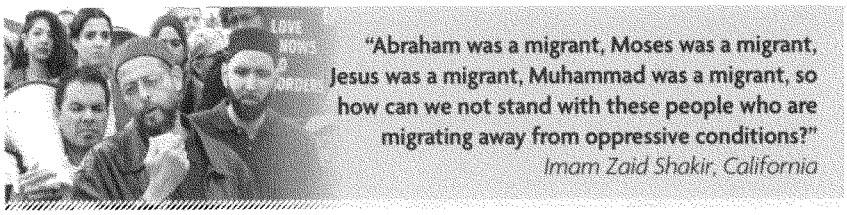
58 Josh Sandburn, "Flint Water Crisis May Cost the City $400 Million in Long-Term Social Costs, *Time*, August 8, 2016, http://time.com/4441471/flint-water-lead-poisoning-costs/.

59 Chris Boyette, "Michigan and Flint Agree to Replace 18,000 Home Water Lines by 2020," *CNN*, last modified March 27, 2017, https://www.cnn.com/2017/03/27/us/flint-settlement/.

60 Robert Acosta, "State to Provide $4.1M to Screen, Test Flint Children Affected by Lead," *MLive*, April 9, 2018, https://www.mlive.com/news/flint/2018/04/state_providing_4_million_to_s.html

61 "EPA Awards $100 Million to Michigan for Flint Water Infrastructure Upgrades," Environmental Protection Agency, March 17, 2017, https://www.epa.gov/newsreleases/epa-awards-100-million-michigan-flint-water-infrastructure-upgrades.

in inhumane conditions. In 2018, one company received $234 million for new detention beds for immigrant children.[62] And undocumented people all over the country fear losing their loved ones, friends, and neighbors to deportation.



"Abraham was a migrant, Moses was a migrant, Jesus was a migrant, Muhammad was a migrant, so how can we not stand with these people who are migrating away from oppressive conditions?"
Imam Zaid Shakir, California

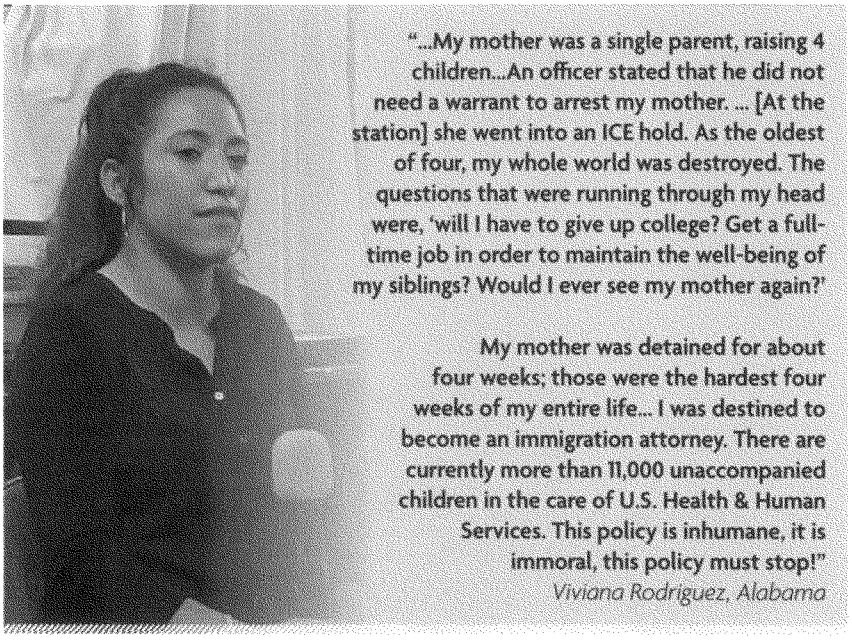
Comprehensive immigration reform would provide protection for families and people looking for better lives. According to a 2013 CBO analysis, immigration reform that would increase the number of new immigrants who are allowed to enter the country and provide a path for many currently undocumented people to gain legal documentation would have resulted in new federal costs of $262 billion over the 10 years from 2014-2023, but those costs would have been more than balanced by $459 billion in increased revenues, largely from increased income and payroll taxes.[63] Additionally, a 2016 study from the National Bureau of Economic Research found that providing legal documentation and status to currently undocumented workers would increase their contribution to GDP from 3% (about $615 billion per year using today's GDP) to 3.6%, a $123 billion increase.[64]

Immigration reform is only the first step towards just immigration and it must be accompanied by a broader assessment of U.S. foreign policy and military actions, especially in Latin America. This would demand that our government stop allowing corporations to profit from detention of immigrants, deportation, and family separation.

62 Deniz Cam, "One In Six Migrant Children In The U.S. Are Staying At A Shelter Operated By A Private Equity Tycoon," *Forbes*, April 10, 2019, https://www.forbes.com/sites/denizcam/2019/04/10/one-in-six-migrant-children-in-the-us-are-staying-at-a-shelter-operated-by-a-private-equity-tycoon/#722d081e687e.

63 "S. 744: Border Security, Economic Opportunity, and Immigration Modernization Act," Congressional Budget Office (CBO), June 18, 2013, https://www.cbo.gov/sites/default/files/113th-congress-2013-2014/costestimate/s7444.pdf.

64 Ryan Edwards, Francesc Ortega, "The Economic Contribution of Unauthorized Workers: An Industry Analysis," *Regional Science and Urban Economics* 67 (2017): 119-134, https://doi.org/10.1016/j.regsciurbeco.2017.09.004.



Legal Protection for LGBTQIA People

While many groups are now protected from discrimination by federal and state laws, legal protections for LGBTQIA people lag behind. A majority of states in the U.S. allow discrimination against LGBTQIA people in employment, housing, health care, schools, and public accommodations. Many of these problems are particularly acute for LGBTQIA youth and LGBTQIA youth of color. Though their numbers aren't known with any degree of certainty, estimates are that lesbian, gay and bisexual youth represent roughly 8% of the nation's high school students,[65] and that they represent as much as 40% of the homeless youth population.[66]

The Equality Act is a fairly comprehensive bill that provides for equal rights and protections for LGBTQIA individuals by prohibiting discrimination in areas such as health, housing, employment, education, credit and public accommodations.[67] It passed in the U.S. House of Representatives in

65 Zoë Schlanger, "A Teen Health Survey Crucial to US Public Policy Is Finally Asking Kids About Their Sexual Orientation," *Quartz*, June 25, 2017, https://qz.com/1014142/a-teen-health-survey-crucial-to-us-public-policy-is-finally-asking-kids-about-their-sexual-orientation/.

66 "Homelessness and Runaway LGBT Youth," Youth.Gov, accessed May 22, 2019, https://youth.gov/youth-topics/runaway-and-homeless-youth/lgbt.

67 Rep. David N. Cicilline, "H.R.5 - Equality Act," 116th Congress, accessed May 22, 2019, https://www.congress.gov/bill/116th-congress/house-bill/5.

May of 2019, but is unlikely to pass in the U.S. Senate, despite widespread support from the public and business. Lacking comprehensive federal anti-discrimination and anti-hate crimes laws, most LGBTQIA children and adults have to navigate a patchwork of local and state laws, so that they may be protected in one state and endure hostile policies in another.[68] Some state and federal laws function to protect LGBTQIA people from hate crimes and violence based on their sexual and gender identities, such as the Matthew Shepard and James Byrd Jr Hate Crimes Prevention Act of 2009, but protections must be broader. LGBTQIA people are still unprotected in many states from all but the most violent hate crimes involving deadly weapons. Relevant protections should also be included in the Violence Against Women Act, and special attention given to LGBTQIA undocumented migrants and refugees.

These bills are vital as the Trump administration takes aggressive moves to curtail the civil and human rights of transgender people. In May 2019, the administration announced a rule that would allow medical service providers and employers to deny health care and health coverage to transgender people if they have a "religious objection" to equal rights for all. This comes on top of rescinding guidance for protections of transgender students in public schools, banning transgender people from military service and even erasing the very word "transgender" from all Centers for Disease Control documents.

First Nations Sovereignty

For centuries, the "Doctrine of Discovery" was used to justify the dispossession of Indigenous and Native people of land, resources, and political legitimacy. Originated in 1496 under King Henry VII, the Doctrine of Discovery held that Christian sovereigns and their representative explorers could assert dominion and title over non-Christian lands with the full blessing and sanction of the Church. In 1823, the Supreme Court case Johnson vs. McIntosh relied on the Doctrine of Discovery to interpret U.S. law, declaring U.S. federal ownership of Indigenous and Native lands.[69]

The legacy of this doctrine continues today through fights against destructive fossil fuel projects that use land and water relied upon by Indigenous and Native people, and the ongoing disenfranchisement and austerity imposed on these communities. In the 2005 Supreme Court Case of City of Sherrill, New York v. Oneida Indian Nation, the Oneida Indian Nation tried to assert tribal sovereignty over lands purchased on the open market. In her ruling, Justice Ruth Bader Ginsberg wrote that "...fee title to the lands occupied by Indians when the colonists arrived became vested in the sovereign – first the discovering European nation and later the original states and the United States." In other words, the United States government, and not the Oneida Indian Nation, were sovereign over the purchased land.[70]

Sovereignty has ironically been used to exclude Indigenous and Native people from equal protection, especially when equal protection is more narrowly defined around racial categories.[71]

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68 Mapping LGBT Equality in America, Movement Advancement Project, May 28, 2015, http://www.lgbtmap.org/file/Mapping%20Equality%20for%20LGBT%20Americans%20Post%20SCOTUS.pdf.

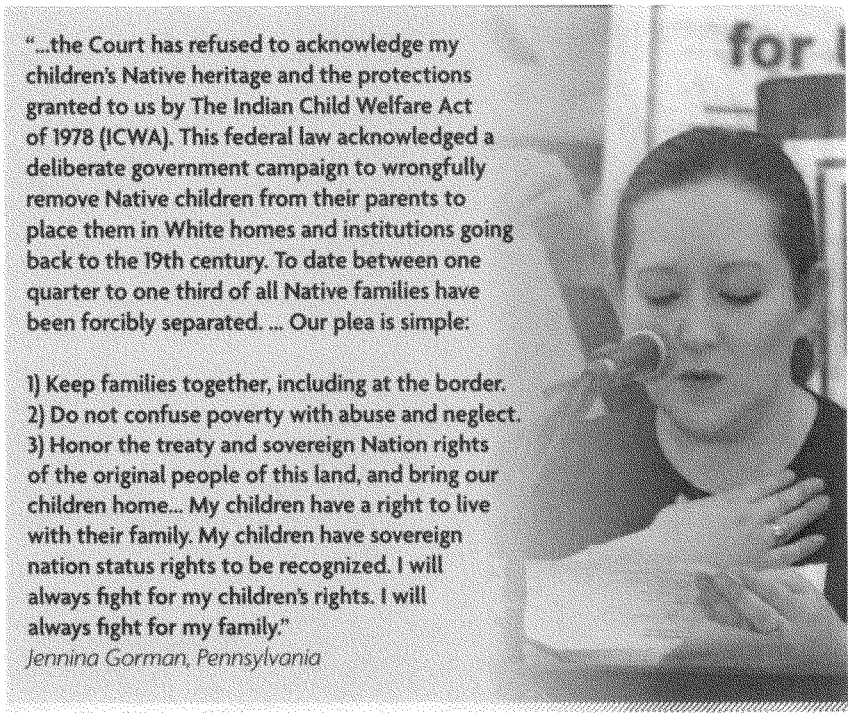
69 "Doctrine of Discovery," Upstander Project, accessed May 22, 2019, https://doctrineofdiscovery.org/.

70 "Sherrill v. Oneida Opinion of the Court," Doctrine of Discovery, August 1, 2018, https://doctrineofdiscovery.org/sherrill-v-oneida-opinion-of-the-court/.

71 Stuart Minor Benjamin, "Equal Protection and the Special Relationship: The Case of Native Hawaiians," *The Yale Law Journal* 106 (1996): 537-612, https://scholarship.law.duke.edu/cgi/viewcontent.cgi?article=1008&context=faculty_scholarship.

n fact, Indigenous and Native people were not guaranteed citizenship under the 14th Amendment that granted legal citizenship status to former slaves, and had to fight for their right to vote in every state. The Voting Rights Act of 1965 strengthened that right, but when Shelby County v. Holder struck down key parts of that legislation in 2013, Indigenous and Native people were faced with new attacks on their right to vote. This was evident in North Dakota in 2018, when a law requiring voters to present an ID with their residential address was in effect. Tens of thousands of rural voters, many of them Indigenous and Native Americans who live on reservations and do not have a street address, were disenfranchised by this law. To secure their right to vote, they organized delegations to help register community members leading up to the election.

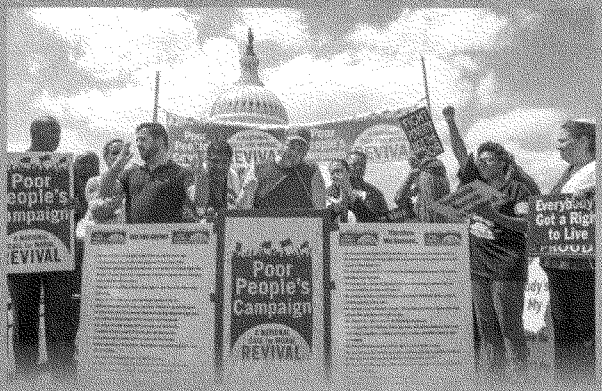
A moral reorientation of our political and economic system must include affirmations of the self-determination of Indigenous and Native peoples and recognition of their interests in decisions that affect their land and communities. This means giving tribes the legal authority to protect the lands and waters in their territories, jurisdiction over crimes committed in their territories, and, where appropriate, all the rights of any sovereign nation.[72]



72 The different status of tribes and their federal recognition of sovereignty is complex territory that requires the meaningful engagement and broad representation of Indigenous and Native communities. For this reason, this section offers an overview of the Doctrine of Discovery and its long-term implications, reflecting ongoing conversations with various Indigenous, Native and Tribal leaders involved in the Poor People's Campaign.

INVESTMENTS IN

DOMESTIC TRANQUILITY



INVESTMENTS IN DOMESTIC TRANQUILITY

POOR PEOPLE'S CAMPAIGN DEMANDS

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1. We demand the immediate implementation of federal and state living wage laws that are commensurate for the 21st century economy, guaranteed annual incomes, full employment, and the right for all workers to form and join unions.

2. We demand equal pay for equal work.

3. We demand public infrastructure projects and sustainable, community-based and controlled economic initiatives that target poor urban and rural communities.

4. We demand fully-funded welfare programs that provide cash and in-kind assistance directly to the poor, including poor families. We demand an end to the attacks on SNAP, HEAP and other vital programs for the poor.

5. We demand reinvestment in and the expansion of public housing, ensuring that all have a decent house to live in.

6. We demand a change in the current poverty standards. We demand an accurate assessment of who is poor — based on access to decent and adequate housing, education, health care, water, sanitation and public utilities, childcare, as well as income, savings, debt, and welfare — and that is made widely available to all.

KEY FINDINGS

- A $15 federal minimum wage enacted immediately would raise pay for 49 million workers by a combined $328 billion per year. At $22 per hour, 83 million workers would get $1 trillion more in pay. These pay raises dwarf the $7.1 billion in "tax cut bonuses" employers gave U.S. workers in 2018.[73]

- As an immediate measure, restoring Temporary Assistance for Needy Families (TANF) to previous funding levels would provide a modicum of relief to poor families who deserve a fully functional safety net. TANF has not been adjusted for inflation since the Clinton administration, which in 2019 puts the program $8.9 billion under its 1996 level. Restoring that $8.9 billion would cost less than the roughly $14 billion the United States spends each year on increased border patrols, deportations, and incarceration.

- An annual wealth tax on just the 75,000 richest U.S. households would generate $275 billion per year — more than enough to put 2.5 million people to work fixing our public infrastructure.

Poverty has many causes, and they are all rooted in this country's current and past policy decisions. Slavery, sharecropping, racial quota systems for immigration, deportations, Jim Crow, redlining, and a host of other deliberate decisions created an economic system that in fact demanded some segment of the population remain poor.

While racism drove many of these policies and opportunity has been systematically denied to people of color, all races have suffered from policies that seek to consolidate, rather than share, this country's wealth. Sharecropping was a legal extension of slavery that allowed unscrupulous landlords to charge high interest rates and dictate how and for how much sharecroppers could sell their crops. Although sharecropping exploded as an extension of slavery after the Civil War, two-thirds of sharecroppers were poor and White. In the 1930s, Black and White sharecroppers united to form the Southern Tenant Farmers Union to organize for fair pay and lending practices.[74]

In 2016, White people made up the largest share of poor and low-income people in the U.S., at 66 million. But the share of White people in this category is 33% — far below the share of Blacks (60%), Latinx (64%), and Indigenous and Native people (59%) who are either poor or low-income.[75]Systemic racism has contributed to racial wealth gaps and disparities in asset ownership and labor participation rates, especially between Black and White populations. This has, in turn, been used to sow deep mistrust and division among poor White and poor Black, Brown, and Indigenous and Native people in this country. And yet, all are poor and facing similar struggles. Just as in the past, this common ground is bringing them together against these injustices.

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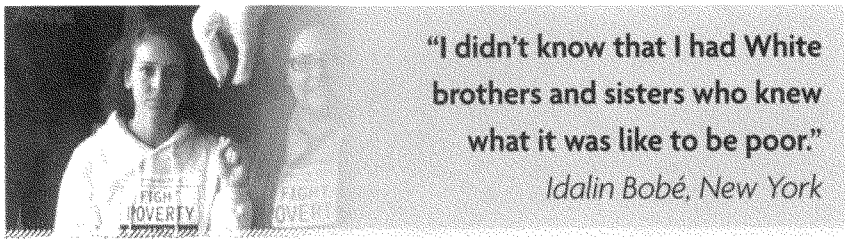
73 "Trump Tax Cuts," Americans for Tax Fairness, accessed May 21, 2019, https://americansfortaxfairness.org/issues/trumptaxcuttruths/

74 "Slavery By Another Name," *PBS*, accessed May 22, 2019, https://www.pbs.org/tpt/slavery-by-another-name/themes/sharecropping/.

75 Based on the number of people who fell below a "low-income" threshold defined as twice the supplemental poverty measure calculated by the U.S. Census Bureau. Under this alternative measure, a family of four with two adults and two children who rented their home was in poverty if they made less than $27,005 in 2017.



"I didn't know that I had White brothers and sisters who knew what it was like to be poor."
Idalin Bobé, New York

Where policy has introduced inequality, policy must undo it. We need a full range of policies to right these wrongs: a living wage for all; the right to unionize and to receive equal pay; job creation through infrastructure and other badly needed investments; a federal jobs guarantee for each person willing and able to work who is excluded from the private job market; and a robust, accessible, and fully funded safety net for those for whom work is not the right option are all required to ensure that no person in the United States lives in poverty.

To make sure these policies reach all of those who are suffering, we must come to terms with the true extent and impact of poverty in this country. Our current poverty statistics reveal only part of the problem. A true accounting of who is poor would take into consideration the cost of housing, food and medicine, and all government policies that both alleviate and exacerbate poverty in all its forms.

THE RIGHT TO A LIVING WAGE JOB

Low pay, job scarcity or inaccessibility, and attacks on unionization all conspire to keep people in poverty. Anyone working in the U.S. must be able to live with dignity and security. Enacted together, job creation, job guarantees, and living wages would reinforce one another, ensuring both higher employment rates and higher incomes. Along with these economic policies must come laws protecting the right to unionize, which has been whittled down by years of attacks on workers and organized labor. Newly created jobs can be oriented towards rebuilding this country from the inside out, both addressing our infrastructure weaknesses and implementing innovations in energy efficiency, engineering, and other fields. The result would redefine how local economies are integrated into the national economy to work for the people and the planet.

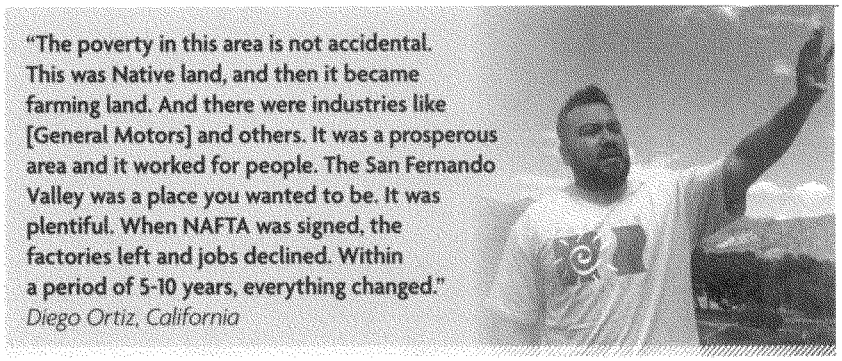
Full Employment and a Federal Job Guarantee

Since the Great Recession, unemployment levels have steadily fallen. But even with the currently low U.S. unemployment rate, there are millions of Americans who are effectively left out of the economy. Much of the falling unemployment rate since the Great Recession can be attributed not to job growth, but to people dropping out of the labor force altogether in an increasingly harsh labor market.[76]

76 Elise Gould, "Unemployment Rate hits New Low for the Recovery, But for the Wrong Reasons," Economic Policy Institute (EPI), May 4, 2019, https://www.epi.org/press/unemployment-rate-hits-new-low-for-the-recovery-but-for-the-wrong-reasons/.

Indeed, the presently low unemployment reflected by the standard unemployment rate (called the U-3 rate) does not include all working age people who are unemployed. It only counts people without jobs who have been actively looking for work in the last four weeks. The more comprehensive U-6, or real employment rate, includes the underemployed (people who are part-time or temporary employees through no choice of their own), marginally attached workers (people who have been looking for work during the past year), and discouraged workers (people who have given up looking for work altogether). Unemployment rates as measured by the U-6 rates are often double the standard U-3 measure, and offer a better picture of the structural unemployment that has surfaced since the Great Recession.

Unemployment rates also vary drastically by location, race, and other factors. Rural workers,[77] Black workers, Latinx workers, and young people[78] all have higher than average rates of unemployment.



It is important to note that, following the passage of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, commonly known as welfare reform, work requirements have become a staple of reform proposals for our public safety net. Today, Medicaid, the Supplemental Nutrition Assistance Program (SNAP, or food stamps), Section 8 tenant-based rental assistance (vouchers), and public housing are all targets for new work requirements. Yet none of these proposals do anything to solve the problem of a lack of suitable jobs.

U.S. economic policy defines "full employment" as an unemployment rate of around 4%, meaning that under our current economic rules, someone is always left out.[79] True full employment, where everyone who wants and is able to work has suitable work to do, would go great lengths toward ending poverty. However, quality jobs are lacking in the private sector. Bureau of Labor Statistics reports from March 2019 reveal that 6.2 million workers remain unemployed; an additional

77 "Rural Employment and Unemployment," United States Department of Agriculture, last modified July 6, 2017, https://www.ers.usda.gov/topics/rural-economy-population/employment-education/rural-employment-and-unemployment/.

78 "Labor Force Statistics from the Current Population Survey," Bureau of Labor Statistics (BLS), last modified April 5, 2019, https://www.bls.gov/web/empsit/cpsee_e16.htm.

79 "What Is the Lowest Level of Unemployment that the US Economy Can Sustain?," Board of Governors of the Federal Reserve System, accessed May 22, 2019, https://www.federalreserve.gov/faqs/economy_14424.htm.

4.5 million are working part-time though they would prefer full-time work; and 1.4 million people have given up actively seeking work (and therefore are not counted as officially unemployed).[80] All told, unemployed and underemployed people still substantially outnumber job openings.[81] As much as 40% of the U.S. workforce is employed in insecure positions, such as temporary, part-time, and "on-call" workers, contractors, and the self-employed.[82]

> **"Home care workers like me, we don't have any sick days. We don't have any vacation days. Not a single one. We don't get health insurance. When I finally got health care, I couldn't afford the deductibles.... This isn't just about me. There are millions of people who work just as hard as me, and who are struggling. I feel like we are the forgotten ones.... We need raises. We need paid time off. We need sick days and vacation time. We need you to recognize our value."**
>
> *Joyce Barnes, Virginia*

A federal jobs guarantee would offer a public option for employment for all workers. It would provide access to an annual minimum income, training, and benefits. One proposal for a jobs guarantee by economists William Darity and Darrick Hamilton calculates the government cost at $543 billion per year to employ 10.7 million workers. Under this plan, the government would cover compensation and benefits, the employer's share of payroll taxes and supplies, and capital goods related to employment, thereby minimizing private costs.[83] This specific proposal, however, assumes a lower minimum wage ($11.83/hour) than this report's suggested minimum wage increase (see below). A federal jobs guarantee with a higher wage would cost more; however, the benefits could be greater as well.

Indeed, a federal jobs guarantee would have cascading positive effects. It would drastically reduce unemployment and underemployment and indirectly raise the floor of wage standards in the private sector. It would deliver ready labor for national and community projects, such as infrastructure or clean energy projects, among others. Alongside a higher minimum wage or living wage, it would send more dollars flowing into local economies and result in some measure of costs savings for the federal government, since people earning more income would need fewer services from programs like food stamps.

One solution that is often proposed for poverty and a lack of work is a basic income guarantee. These proposals have some appeal. However, current models for a basic income guarantee propose

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80 "Employment Situation Summary," Bureau of Labor Statistics (BLS), last modified May 3, 2019, https://www.bls.gov/news.release/empsit.nr0.htm.

81 "Job Openings and Labor Turnover — March 2019," Bureau of Labor Statistics (BLS), May 7, 2019, https://www.bls.gov/news.release/jolts.nr0.htm.

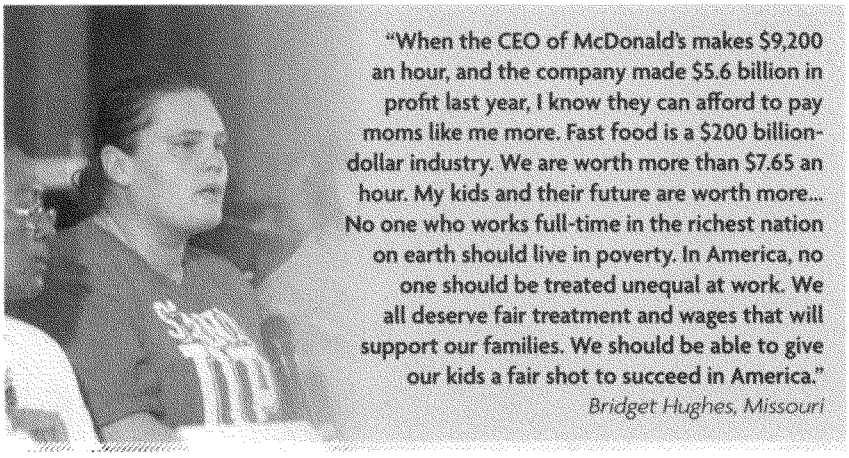
82 William Darity and Darrick Hamilton, "The Federal Job Guarantee," *Intereconomics* 53 (May/June 2018): 179-180, https://archive.intereconomics.eu/year/2018/3/the-federal-job-guarantee/.

83 Mark Paul, William Darity, and Darrick Hamilton, " The Federal Job Guarantee — A Policy to Achieve Permanent Full Employment," Center on Budget and Policy Priorities (CBPP), March 9, 2018, https://www.cbpp.org/research/full-employment/the-federal-job-guarantee-a-policy-to-achieve-permanent-full-employment.

to give every adult the same amount of money, failing to address income inequality or to discourage the proliferation of low benefit, low pay, or low security jobs. Instead, a federal jobs guarantee, predicated upon the federal government serving as employer, could present a public employment option that would offer an annual minimum wage (based on the poverty line, indexed for inflation and regional disparities), benefits (health insurance, retirement, paid sick leaves), as well as on-the-job-training and apprenticeships.

Living Wages, Unions and Equal Pay for Equal Work

The current minimum wage is criminally inadequate. Forty-four percent of people experiencing homelessness have a job, but are unable to afford shelter.[84] However, even a $15 wage is not enough to live in most places in the United States. A single adult living in Tulsa, Oklahoma would need to work year-round, full-time at a wage of $16.82 per hour to meet all of their expenses. In San Francisco, that same adult would need to earn $33.63 per hour to make ends meet.[85] For families with children, the wage must be even higher. According to the National Low-Income Housing Coalition, an hourly wage of $22.10 is the national average wage needed to afford a two-bedroom apartment.[86]



One factor that has contributed to the decline in wages is the decline in unions. Union membership has fallen rapidly over the past few decades, and more recently, the right and ability to organize unions has come under increasing attack. Between 1968 and 2017, the share of U.S. workers in unions

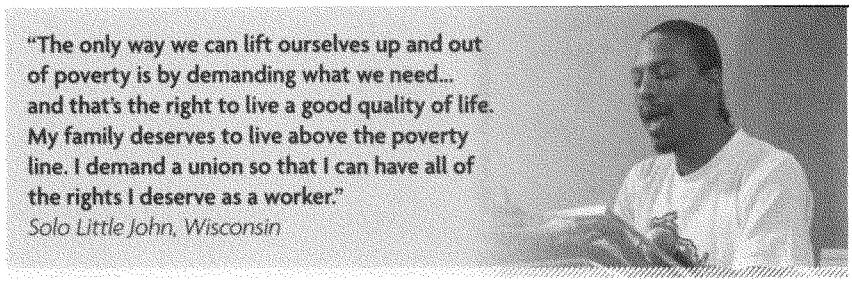
84 William Darity and Darrick Hamilton, "The Federal Job Guarantee," *Intereconomics* 53 (May/June 2018): 179-180, https://archive.intereconomics.eu/year/2018/3/the-federal-job-guarantee/.

85 "Family Budget Calculator," Economic Policy Institute (EPI), https://www.epi.org/resources/budget/.

86 Dr. Andrew Aurand et al., "Out of Reach: The High Cost of Housing," National Low Income Housing Coalition (NLIHC), June 13, 2018, https://reports.nlihc.org/sites/default/files/oor/OOR_2018.pdf.

fell from 24.9% to 10.7%.[87] This trend has been precipitated by so-called "right-to-work" (RTW) laws that allow workers to opt out of paying union dues while still enjoying the benefits of a union contract. These laws have been passed in some 27 states, and they continue to chip away at unions' bargaining power. Wages in "right-to-work" states are between 3% and 13% lower than in other states.[88]

Between 1973 and 2017, non-union men have lost roughly $2,700 per year, and non-union women about half as much.[89] This represents roughly $150 billion each year no longer showing up in the paychecks of non-union workers, simply because organized labor has declined.



If restoring the right to unionize also restored unionization rates and wages seen in the past, we could see as much as a $150 billion increase in wages by securing this right.

In the absence of widespread unionization, poor people-led campaigns like the Fight for $15 have led the way toward increasing the minimum wage in cities and states across the country. A higher minimum wage would benefit everyone. A higher minimum wage would boost consumer spending and generate new economic activity, because lower-income households spend more of their income than higher-income households, who tend to save more.[90] If real living wages were implemented, public assistance programs could save substantial resources. According to a University of California, Berkeley study, public assistance programs spend $153 billion a year as a direct result of low wages, most of which could be saved by legislating a living wage.[91]

87 Saurav Sarkar and Shailly Gupta Barnes, eds., "The Souls of Poor Folk: Auditing America 50 Years After the Poor People's Campaign Challenged Racism, Poverty, the War Economy/Militarism and Our National Morality," Institute for Policy Studies (IPS), Poor People's Campaign, Kairos Center for Religions, Rights and Social Justice, and Repairers of the Breach, April 12, 2018, https://ips-dc.org/wp-content/uploads/2018/04/PPC-Audit-Full-410835a.pdf.

88 Elise Gould and Will Kimball, "Right-to-Work States Still Have Lower Wages," Economic Policy Institute (EPI), April 22, 2015, https://www.epi.org/publication/right-to-work-states-have-lower-wages/.

89 Jake Rosenfeld, Patrick Denice, and Jennifer Laird, "Union Decline Lowers Wages of Nonunion Workers, "Economic Policy Institute (EPI), August 30, 2016, https://www.epi.org/publication/union-decline-lowers-wages-of-nonunion-workers-the-overlooked-reason-why-wages-are-stuck-and-inequality-is-growing/.

90 "The Impact of Raising the Federal Minimum Wage to $12 by 2020 on Workers, businesses and the Economy," Economic Policy Institute (EPI), April 27, 2016, https://www.epi.org/publication/the-impact-of-raising-the-federal-minimum-wage-to-12-by-2020-on-workers-businesses-and-the-economy-testimony-before-the-u-s-house-committee-on-education-and-the-workforce-member-forum/.

91 Ken Jacobs, Ian E. Perry, and Jenifer MacGilvary, "The High Public Cost of Low Wages," UC Berkeley Labor Center, April 13, 2015, http://laborcenter.berkeley.edu/the-high-public-cost-of-low-wages/.

In fact, if the federal minimum wage was increased to $15, 49 million workers would see raises that would total $328 billion. If the minimum wage was increased to the $22 housing wage estimated by the National Low-Income Housing Coalition, 83 million workers would get a cumulative raise of more than $1 trillion.[92]

Closing pay gaps based on race, gender, LGBTQIA, and disability[93] would do even more to raise up poor people and the economy over all. Black men make 22 percent less and Black women make 34.2 percent less than White men in the same circumstances.[94] Women of all races earn 18.9 percent less than men.[95] Median wages for certain Asian and other groups like Bangladeshis, Native Hawaiians and Pacific Islanders, and Hmong also lag behind those for White people.[96] Gay and bisexual men earn on average 10 to 32% less than similarly qualified straight men, and according to another study, transgender women workers' earnings fell by one-third following their gender transitions.[97]

Closing the gender pay gap could add $513 billion per year to the national economy.[98] This alone would cut poverty rates among working women in half and cut the number of children of working mothers living in poverty nearly in half. Closing the racial pay gap[99] would add $2.1 trillion to the economy in a single year.[100]

People of color, women, people with disabilities, and LGBTQIA people also face rampant discrimination in the workplace, beyond the problem of unequal pay. One 2016 study found that Black and Asian people were twice as likely to be called in response to a job application if all indications of race were removed from their resumes.[101] A woman's pay decreases by 4% for each child she has, while a man's

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92 David Cooper, "Raising the Federal Minimum Wage to $15 by 2024 Would Lift Pay for Nearly 40 Million Workers," Economic Policy Institute (EPI), February 5, 2019, https://www.epi.org/files/pdf/160909.pdf (for $15 wage figure). Calculation for $22 wage by Economic Policy Institute for the Poor People's Campaign.

93 Analysis of gender pay gaps are based on a binary gender model and cannot capture wage gaps based on gender identity or expression.

94 Valerie Wilson and William M. Rodgers III, "Black-white wage gaps expand with rising wage inequality," September 20, 2016, https://www.epi.org/publication/black-white-wage-gaps-expand-with-rising-wage-inequality/.

95 Ariane Hegewisch, M. Phil and Heidi Hartmann, "The Gender Wage Gap: 2018 Earnings Differences by Race and Ethnicity," March 7, 2019, https://iwpr.org/publications/gender-wage-gap-2018/.

96 "Making America Work: Asian Americans, Native Hawaiians and Pacific Islanders in the Workforce and Business," 2014, Asian American Federation and Asian Americans Advancing Justice, https://advancingjustice-la.org/sites/default/files/MakingAmericaWork2015.pdf.

97 Crosby Burns, "The Gay and Transgender Wage Gap," Center for American Progress, April 16, 2012, https://www.americanprogress.org/issues/lgbt/news/2012/04/16/11494/the-gay-and-transgender-wage-gap/.

98 "Pay Equity and Discrimination," Institute for Women's Policy Research, accessed February 9, 2019, https://iwpr.org/issue/employment-education-economic-change/pay-equity-discrimination/.

99 *See*, Gould, Elise, Janelle Jones, and Zane Mokhiber, "Black Workers Have Made No Progress in Closing Earnings Gaps with White Men Since 2000," Economic Policy Institute (EPI), Working Economics Blog, September 12, 2018, https://www.epi.org/blog/black-workers-have-made-no-progress-in-closing-earnings-gaps-with-white-men-since-2000/. Black Men Earn 70 Percent of What White Men Earn.

100 Sarah Treuhaft, Justin Scoggins, and Jennifer Tran, "The Equity Solution: Racial Inclusion Is Key to Growing a Strong New Economy," PolicyLink, October 22, 2014, https://policylink.app.box.com/v/equity-brief.

101 Dina Gerdeman, "Minorities Who 'Whiten' Job Resumes Get More Interviews," Harvard Business School, Working Knowledge, May 17, 2017, https://hbswk.hbs.edu/item/minorities-who-whiten-job-resumes-get-more-interviews.

pay increases by 6%, and women are more likely to lose promotions, pay, or even their jobs when they become pregnant.[102] Another study found that revealing a disability that would have no bearing on job duties resulted in 26% fewer callbacks from a job application.[103] Discrimination on the basis of LGBTQIA identification is not illegal in many states, and studies have found that an indication of LGBT affiliation on a resumé resulted in fewer job call-backs,[104] while the transgender unemployment rate is three times the national average.[105] Despite laws against employment discrimination on the basis of race, gender, or disability, enforcement was uncommon: out of one million complaints submitted to the Equal Employment Opportunity Commission since 2010, more than 80% of workers received no relief.[106]

Infrastructure Development

Infrastructure improvements would create thousands or even millions of good jobs, and would radically improve quality of life across the nation. In their 2017 report card for the nation, the American Society of Civil Engineers gave the state of United States infrastructure a D+. Drinking water received a grade of D; hazardous waste management received a D+; and transit received a D-.[107] Alongside the crises in Flint, Lowndes County, and other cities and towns that are experiencing failing water infrastructure, it is all too clear how a comprehensive infrastructure plan that would modernize water and sanitation systems, build roads, repair falling bridges, expand access to public transit and broadband internet, and re-open or keep open critical public institutions like libraries, recreation centers, hospitals, and fire stations could break through the isolation of small towns and revive local economies, reversing a longstanding trend of funding cuts and neglected maintenance.

The benefits of better infrastructure are far-reaching. School facility investments have been shown to directly raise the housing wealth of surrounding communities[108] and lead to better student performance. Investments in healthier drinking water can help society avoid the staggering costs of childhood lead exposure.[109]

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102 Natalie Kitroeff and Jessica Silver-Greenberg, "Pregnancy Discrimination Is Rampant Inside America's Biggest Companies," *New York Times*, February 8, 2019, https://www.nytimes.com/interactive/2018/06/15/business/pregnancy-discrimination.html.

103 Mason Ameri et al., "The Disability Employment Puzzle: A Field Experiment on Employer Hiring Behavior," *ILR Review* 72, no. 2 (2018): 329-364, https://doi.org/10.3386/w21560.

104 Emma Mishel, "Discrimination Against Queer Women in the US Workforce: A Resume Audit Study," *Socius* (2016), https://doi.org/10.1177%2F2378023115621316.

105 "2017 Workplace Equality Fact Sheet," Out & and Equal, "accessed May 22, 2019, https://outandequal.org/2017-workplace-equality-fact-sheet/.

106 Maryam Jameel, Leslie Shapiro, and Joe Yerardi, "More Than 1 Million Employment Discrimination Complaints Have Been Filed with the Government Since 2010," *Washington Post*, February 28, 2019, https://www.washingtonpost.com/graphics/2019/business/discrimination-complaint-outcomes/?utm_term=.f7559699e378.

107 "America's Infrastructure Scores a D+," Infrastructure Report Card, accessed May 22, 2019, https://www.infrastructurereportcard.org/.

108 Stephanie R. Cellini, Fernando Ferreira, Jesse Rothstein, "The Value of School Facilities: Evidence from a Dynamic Regression Discontinuity Design," September 28, 2008, https://economics.yale.edu/sites/default/files/files/Workshops-Seminars/Labor-Public/ferreira-081010.pdf.

109 Leonardo Trasande and Yinghua Liu, "Reducing the Staggering Costs of Environmental Disease in Children, Estimated at $76.6 Billion in 2008, *Health Affairs* 30, no. 5 (2011): 863-870, https://doi.org/10.1377/hlthaff.2010.1239.

"I dream of barbeques, birthday parties, and so much more. How cool would it be to have an option to swim at a pool that's not as far away as the YMCA, and not cost as much money?"

Amaya Lynn Rankin, Kansas

Rural poverty is persistently worse than urban poverty in the U.S. In 2015, the rate of poverty in rural areas was 16.7%, compared to 13% in cities and 10.8% in suburbs. In the 1980s, unemployment was worse in cities than rural areas. Unemployment has become a greater problem today in rural communities. Rural workers are poorer than urban workers, and nearly one-third of them live in deep poverty. Nearly 20% of rural workers live in households earning below 150% of the poverty level, compared to 13.5% of urban workers with the same income levels.[110]

Poor towns like Tchula, Mississippi, that lack not only technology infrastructure but also infrastructure and resources for disaster relief, suffer greatly because of these gaps. Recent storms have left trailers steeped in mold after flooding from the Tchlula lake submerged homes. Putrid water runs through household pipes; and citizens remain trapped between their state government's inaction and local government's lack of resources.

Rural communities also often struggle with a lack of access to technology infrastructure. Among rural residents, 27.4% do not have access to 25 Mbps broadband, compared to 0.6% of city residents.[111] This disparity is primarily produced by market dynamics, as companies cannot justify building telecommunications infrastructure in low-density areas due to lower profits. Access to digital broadband is also shaped by income, as broadband service in America is relatively more expensive compared to other countries. As a result of these factors, 31.4% of households whose annual incomes fall below $50,000 with children ages 6 to 17 do not have a high-speed internet connection at home.[112] This digital divide puts children at an educational disadvantage, while significantly restricting adults' ability to access essential information, such as job opportunities or social services.

Much like the construction of roads and highways during and after the New Deal allowed greater participation in the national economy by rural areas, Indigenous and Native reservations, and disadvantaged communities, investing in the expansion of broadband internet infrastructure can help "future-proof" underserved communities that are otherwise excluded from the economic benefits of a largely privatized national broadband network. The Federal Communications Commission's "E-Rate" program, which supports broadband internet in rural, small town, and underserved urban schools and libraries, is currently funded with an annual cap of $3.9 billion.[113] Expanding high-capacity

110 Brian Thiede et al., "6 Charts That Illustrate the Divide Between Rural and Urban America," *PBS*, March 17, 2017, https://www.pbs.org/newshour/nation/six-charts-illustrate-divide-rural-urban-america.

111 Adie Tomer, Elizabeth Kneebone, and Ranjitha Shivaram, Signs of Digital Distress, Brookings Institution, September 12, 2017, https://www.brookings.edu/research/signs-of-digital-distress-mapping-broadband-availability/.

112 John B. Horrigan, "The Numbers Behind the Broadband Homework Gap," Pew Research Center, April 20, 2015, https://www.pewresearch.org/fact-tank/2015/04/20/the-numbers-behind-the-broadband-homework-gap/.

113 "E-Rate — Schools & Libraries USF Program," Federal Communications Commission (FCC), accessed May 22, 2019, https://www.fcc.gov/general/e-rate-schools-libraries-usf-program.

broadband to every unserved community in the country could cost anywhere from $20 billion[114] to $80 billion[115], but the social and economic returns of such an investment would be manifold. According to an analysis by the United States Department of Agriculture (USDA), the agricultural benefits alone of expanding rural broadband e-connectivity would equal $18 billion in annual economic returns for the U.S.[116]

According to one proposal, an investment of $2 trillion over 10 years would provide in its first year:

- $35 billion to replace aging drinking water pipes and wastewater systems,
- $10 billion for investment in broadband technology;
- $10 billion to repair and modernize schools;
- $35 billion for transit networks;
- $39 billion for roads and bridges;
- $50 billion for energy investments;
- $6 billion for affordable housing;
- $6 billion for airports, ports and waterways;
- $3.5 billion for Indian Country and public lands; and
- $3 billion for veterans' affairs.

In its first year, this proposal could be expected to create 2.5 million jobs building our nation's infrastructure.[117]

According to the Economic Policy Institute, an infrastructure investment of $100 billion would lead to a GDP increase of $150 billion.[118] Using this rule of thumb, an annual $200 billion investment could result in an annual GDP boost of $314 billion.

114 Dian Schaffhouser, "Cost to Connect Rural America: $19 Billion or Less," The Journal, February 20, 2018, https://thejournal.com/articles/2018/02/20/cost-to-connect-rural-america-19-billion-or-less.aspx.

115 Marguerite Reardon, "Why Rural Areas Can't Catch a Break on Speedy Broadband," CNET, October 23, 2018, https://www.cnet.com/news/why-rural-areas-cant-catch-a-break-on-speedy-broadband/.

116 "A Case for Rural Broadband: Insights on Rural Broadband Infrastructure and Next Generation Precision Agriculture Technologies," United States Department of Agriculture, April 2019, https://www.usda.gov/sites/default/files/documents/case-for-rural-broadband.pdf.

117 "21st Century New Deal for Jobs," Congressional Progressive Caucus (CPC), May 25, 2017, https://cpc-grijalva.house.gov/21st-century-new-deal-for-jobs.

118 Josh Bivens, "The Potential Macroeconomic Benefits From Increasing Infrastructure Investment," Economic Policy Institute (EPI), July 18, 2017, https://www.epi.org/publication/the-potential-macroeconomic-benefits-from-increasing-infrastructure-investment/.

While these policies would address the work and income deficits in our current economy, work solutions alone are not enough. Not everyone can or should work at every point in their lives, and the social and economic contributions of unpaid work, such as caregiving and housework, must be acknowledged and supported.

There is no excuse for a country with our resources to tolerate homelessness, hunger, and conditions like the loss of heat or electricity that poor people currently endure. Our nation must guarantee basic living standards for all people. We are far from meeting that standard, even for our nation's children. About 3 million U.S. children live in families subsisting on $2 per day, mirroring the extreme poverty of some of the poorest countries in the world.[119]

Our children are suffering because we know what works, but the government is choosing not to do it. Marian Wright Edelman's Children's Defense Fund (CDF) reports, since 1967, safety net programs have cut official child poverty nearly in half.[120] Yet millions of children are left behind because we don't invest in expanding the programs that work. Many in government are instead seeking to cut the very programs that help our struggling children and their families.

A Secure Safety Net

All Americans deserve a basic standard of living and the dignity that comes with it. The nation's safety net is made up of a web of programs that give access to food, housing, and income to those in need, and to those whose primary responsibilities involve unpaid labor, such as child care, elder care, and house work. Core safety net programs in the United States include Temporary Assistance for Needy Families (TANF), which provides income assistance and other services, Supplemental Nutrition Assistance Programs (SNAP or food stamps), child nutrition programs, housing programs, and unemployment insurance.

CDF has estimated that the cost of lost productivity, worsened health, and increased crime rates that stem from child poverty total roughly $700 million per year or 3.5% of GDP.[121] Another study found that eliminating child poverty between the prenatal years and age 5 would increase lifetime earnings between $53,000 and $100,000 per child — a total lifetime benefit of $20 to $36 billion for all babies born in a given year.[122] When it comes to child poverty, the costs of inaction are staggering.

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119 "Overview of the State of America's Children 2017," Children's Defense Fund, December, 2017, https://www.childrensdefense.org/wp-content/uploads/2017/12/state-of-americas-children-overview.pdf.

120 "How to Reduce Child Poverty Now," in *Ending Child Poverty Now*, Children's Defense Fund, May 3, 2019, https://www.childrensdefense.org/policy/resources/chapter-2/

121 Michael McLaughlin and Mark R. Rank, "Estimating the Economic Cost of Childhood Poverty in the United States," *Social Work Research* 42, no. 2 (June 2018): 73, https://doi.org/10.1093/swr/svy007.

122 Greg Duncan, Ariel Kalil, and Kathleen Z. Guest, "Economic Costs of Early Childhood Poverty: Raising Young Children Out of Poverty Can Substantially Improve Their Odds of Economic and Life Success, Issue #4," 2-3 (2008), Partnership for America's Economic Success, quoted in "Ending Child Poverty Now," Children's Defense Fund, 14, https://www.childrensdefense.org/wp-content/uploads/2019/04/Ending-Child-Poverty-2019.pdf.

In fact, CDF has also found that relatively modest policy changes can be combined to lift millions of children out of poverty. According to a CDF-commissioned study from the Urban Institute, by investing $52 billion per year, we could reduce child poverty by 57%, Black child poverty by 65%, and improve economic conditions for 95% of all poor children. These combined policy improvements would have increased government expenditures $52.3 billion if enacted in 2015 — only 1.4% of the $3.7 trillion spent by the federal government in 2015 and 0.3% of the country's gross domestic product (GDP) that year.[123]

> **"If we love America and love our children, you and I must build a powerful movement to end child poverty and transform the political and economic priorities in a nation that has ignored the cries of millions of poor children to stack the decks in favor of a few exceedingly rich and powerful billionaires and millionaires."**
>
> *Marian Wright Edelman, Washington D.C.*

Despite evidence that anti-poverty programs have significantly decreased poverty in the United States, these programs have been threatened by budget cuts, stricter eligibility rules, and work requirements, among other changes. For instance, TANF has not been adjusted for inflation or child population growth since its passing in 1996, when it was set at an annual amount of $16.5 billion. This means that the real value of the block grant to this program has declined 40% over the past 2 decades, by about $8.9 billion in today's dollars. The 1996 welfare reform withheld assistance from poor families under false pretenses of "welfare to work." In reality, the 1996 reform took the welfare away without providing the work. The 1996 law's restrictive rules now mean that many poor families do not receive any cash aid at all.

Meanwhile, the number of SNAP recipients grew from 26.3 million people in 2007 to 44.7 million people in 2011, when the nation was still recovering from the financial crisis.[124] Average SNAP benefits were reduced in 2017 by $125 per person.[125]

Importantly, formerly incarcerated people, undocumented people, and many legal immigrants are generally ineligible or have restricted eligibility for these essential programs. Undocumented people cannot access benefits through SNAP, Medicaid (except in some emergencies), Supplemental Security Income, or TANF or Affordable Care Act subsidies. Even legal immigrants are barred from these programs unless they have held permanent resident status for at least five years.[126] To truly meet the needs of people in this country, programs must be accessible, when necessary, to all residents.

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123 Children's Defense Fund, "Ending Child Poverty Now."

124 Ben Senauer, "The Role of Food Stamps in the Recession," Federal Reserve Bank of Boston, Communities & Banking Blog, August 6, 2012, https://www.bostonfed.org/publications/communities-and-banking/2012/fall/the-role-of-food-stamps-in-the-recession.aspx.

125 "A Progressive Path Forward: The People's Budget," Congressional Progressive Caucus (CPC), July 24, 2018, https://cpc-grijalva.house.gov/uploads/Binder21.pdf.

126 "Fact Sheet: Immigrants and Public Benefits," National Immigration Forum, August 21, 2018, https://immigrationforum.org/article/fact-sheet-immigrants-and-public-benefits/.

Various proposals for a restored safety net include new funding for:

- $6.5 billion for SNAP;
- $4.6 billion to improve Unemployment Insurance extended benefits, among other measures;[127]
- $24.75 billion to restore TANF to its inflation-adjusted 1996 value;[128]
- $1.2 billion to fund the end family homelessness initiative; and
- $1.1 billion for child nutrition.[129]

Spending more money alone will not fix our safety net. Welfare rights groups have long insisted that the state block grant funding mechanism both restricts the agency of the poor and the responsibility of the federal government towards welfare recipients. Rather than being held directly accountable to recipients, the federal government grants allocations to states. States then have the authority to disburse those funds; however, they also have the ability to use those resources outside of core welfare purposes, including, for instance, child removal, foster care, and adoption services. Instead of

"I am college-educated and have been in the workforce since I was 15 years old. I was raised in a small town of hard-working middle and upper middle-class people. I attended wonderful public schools...I am also an underemployed single mother of two living below the federal poverty level and a recipient of SNAP.... I've been at my current job for more than six years and in my current profession for 13 years. Right now, I only work about 15 hours a week. This is certainly not by choice...Until recently I was able to feed my family on my benefits alone. This has been absolutely necessary because all of my liquid income has to go toward massive debts I've accrued....but I recently learned that my SNAP benefits have been reduced by more than half... I now somehow have to survive on $138 per month for my family of three. ...

We do not live in a "mom-friendly" or "child-friendly" country. We face inadequate paid maternity leave, abysmal postpartum health care, and equally appalling access to quality child care and public education. If these problems didn't exist, I would never have needed to apply for SNAP in the first place."

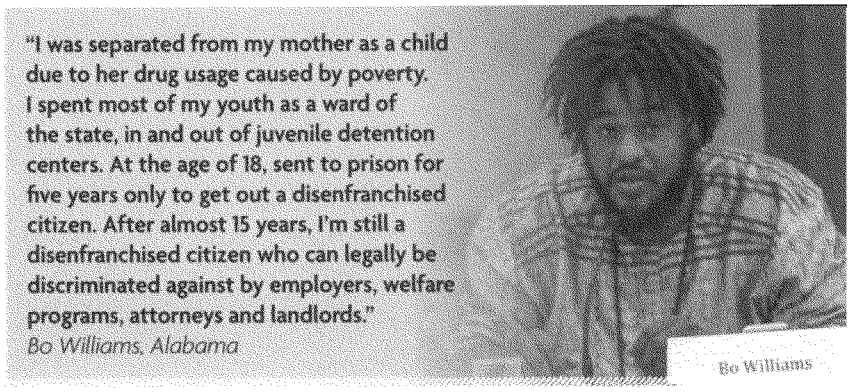
Elizabeth Strader, Indiana

127 Hunter Blair, "The People's Budget," Economic Policy Institute, July 24, 2018, https://www.epi.org/publication/the-peoples-budget-analysis-of-the-congressional-progressive-caucus-budget-for-fiscal-year-2019/.

128 CPC notes that TANF has fallen to about 40% of its 1996 level, adjusting for inflation. This calculation restores the current spending of $16.5 billion to its 1996 level.

129 "Progressive Path Forward: The People's Budget." Congressional Progressive Caucus.

supporting poor families, these kinds of services break them apart. By contrast, Head Start provides an important counter example to the state block grant program with its policy of "maximum feasible participation" for the poor, which has contributed to its success. (See below, "Investments in Our Future.")



"I was separated from my mother as a child due to her drug usage caused by poverty. I spent most of my youth as a ward of the state, in and out of juvenile detention centers. At the age of 18, sent to prison for five years only to get out a disenfranchised citizen. After almost 15 years, I'm still a disenfranchised citizen who can legally be discriminated against by employers, welfare programs, attorneys and landlords."
Bo Williams, Alabama

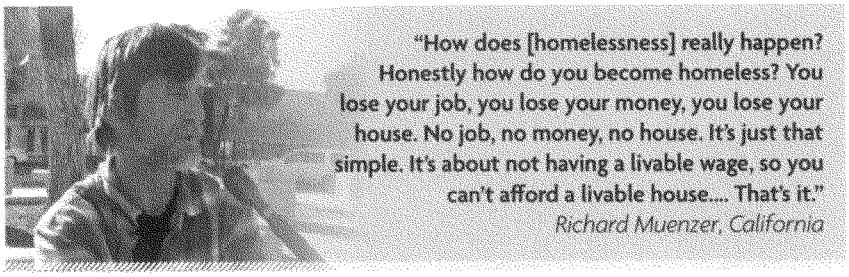
Supporting the right to social welfare also means making the process of receiving benefits more humane and dignified. The current system of administering benefits is characterized by stigma, negligence, and outright hostility. In one widely reported 2018 incident, a young woman visited the DeKalb Job Center in New York. After hours of waiting, police summoned by staff violently dragged her from the waiting area and took her son from her.

Unfortunately, inhumane treatment is not uncommon. A report by the Urban Justice Center found that 34% of surveyed public assistance and SNAP applicants said that interactions with assistance workers were "always" or "often" characterized by mean, hostile or nasty treatment, and another third of respondents said that they received this treatment from assistance workers "sometimes." The same report found that the agency responsible for administering benefits failed to properly return or connect phone calls 64% of the time, and that more than half of public assistance applicants said a case worker had lost paperwork they submitted.[130]

The solution to these problems is simple. More aid should be provided directly to recipients. Indeed, the legacy of TANF, the successor to Aid to Dependent Families with Children (AFDC), and the result of the 1996 welfare reform, is one of indifference or worse to the needs of poor people. As a result, TANF lifts far fewer children out of poverty than its predecessor, AFDC, did.

As noted above, it is likely that enacting policies around living wages, job guarantees, and equitable and universal education would reduce somewhat the need for these safety net programs. But there will always be a need for a safety net, for those whose current circumstances make work unviable even if it is available.

130 "The Bureaucracy of Benefits: Struggling to Access Public Assistance and SNAP in New York City," Urban Justice Center, February 2019, https://snp.urbanjustice.org/sites/default/files/Bureaucracy-of-Benefits-color.pdf.



A Right to Affordable Housing

Shelter is an indisputable necessity for life and a basic human right. Yet, in the U.S. today, there is a widespread lack of affordable housing. This deficit is accompanied by safety problems common to many low-rent housing options and ongoing racism and discrimination in housing markets.

The precursors to today's federal affordable housing programs began in the 1930s with the creation of the Federal Housing Administration and the USDA's Resettlement Administration (now Rural Development), which improved housing for farmers. In 1965, one year after the establishment of war on poverty programs like Job Corps and food stamps, and the same year as the creation of Medicare and Medicaid, Congress created today's Department of Housing and Urban Development.

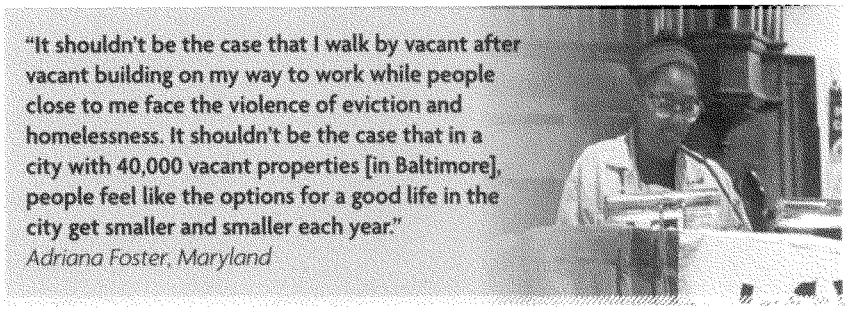
These housing programs help millions of Americans, but they have not kept pace with soaring housing prices and stagnating wages. Over the past 30 years, rents have gone up faster than income in nearly every urban area in the country. In 2016, there was no state or county in the nation where an individual earning the federal minimum wage of $7.25 an hour could afford a two-bedroom apartment at market rent. In 2017, for every 100 extremely low-income renters, only 35 would find affordable housing.[131]

The "American Housing and Economic Mobility Act" is a proposal that calls for investing $488.5 billion over 10 years to address the housing crisis.[132] It would allocate:

- $445 billion over 10 years into a Housing Trust Fund;
- $25 billion over 10 years to a Capital Magnet Fund to finance affordable housing, as well as day care centers, workforce development centers, and health clinic in low-income neighborhoods;
- $10 billion over 10 years for infrastructure and development needs related to new housing;
- $4 billion over 10 years to a Middle Class Housing Emergency Fund for use in high-cost housing areas;
- $2 billion over 10 years to homeowners with negative equity in their homes;
- $2 billion over 10 years for tribal housing needs; and
- $523 million over 10 years for rural homeownership and rental homes.[133]

131 Dr. Andrew Aurand et al., "The Gap: A Shortage of Affordable Homes," National Low Income Housing Coalition (NLIHC), March 2017, https://nlihc.org/sites/default/files/Gap-Report_2017.pdf.
132 "American Housing and Economic Mobility Act," National Low Income Housing Coalition (NLIHC), March 13, 2019, https://nlihc.org/sites/default/files/Warren-HEOM-Bill.pdf.
133 Other provisions of the bill include expansion of the Fair Housing Act to provide more protection for LGBTQIA people, single people or parents, veterans and others. There is also a provision for down payment assistance to first-time homebuyers living in areas that have been subject to redlining and segregation.

While this legislation would begin to make significant investments in affordable housing, it must also be acknowledged that the crisis of affordability does not mean there is a lack of housing. In 2015, the report "Banking on Vacancy" revealed that New York City was spending $856 million annually to house people in the city's shelter systems, but not developing sustainable housing solutions for the poor.[134] Drawing on Freedom of Information Act requests to 18 agencies, the report showed that the vacant properties they logged could house five times as many people as were in the shelter system citywide.[135] This reflected a national trend: according to the 2010 Census, there were an estimated 18.6 million vacant homes and 3.5 million homeless people, or five vacant homes for every homeless person in the country. In New York City, only 10% of these properties were held by the government, meaning that the vast majority of them were being held by private interests seeking to turn a profit.



"It shouldn't be the case that I walk by vacant after vacant building on my way to work while people close to me face the violence of eviction and homelessness. It shouldn't be the case that in a city with 40,000 vacant properties [in Baltimore], people feel like the options for a good life in the city get smaller and smaller each year."
Adriana Foster, Maryland

This speculative turn on housing has prompted community-based organizations to demand Community Land Trusts and other mechanisms to build transparent, democratic processes to resolve the housing crisis. In Baltimore, a Housing Round Table has consolidated community members, activists and elected officials around a 20/20 Campaign. This Campaign calls for the city to raise and designate $20 million in public bonds towards an affordable housing trust, and another $20 million in public bonds to employ community residents to deconstruct vacant homes and create public green space.[136] These bonds must be raised annually. The Campaign is part of a broader Fair Development

134 "Banking on Vacancy," Picture the Homeless, August 17, 2015, http://picturethehomeless.org/project/banking-on-vacancy-homelessness-real-estate-speculation/. Banking on Vacancy was a report produced by the homeless-led organization, Picture the Homeless, in collaboration with Hunter College, Center for Community Planning. It grew out of the "Housing not Warehousing" Campaign of Picture the Homeless and the need for a more systemic analysis of the housing market in New York City. It mobilized 295 volunteers and logged nearly 1500 hours of participatory research, many of which were spent counting and logging vacant property.

135 *Ibid*, 5-6.

136 "20/20 Vision for Baltimore," United Workers, accessed May 22, 2019, http://www.unitedworkers.org/20_20; see also Luke Broadwater, "Pugh Backs Calls for Multimillion Investment in Affordable Housing in Baltimore," Baltimore Sun, May 13, 2017, https://www.baltimoresun.com/news/bs-md-ci-baltimore-2020-20170513-story.html

Recovery Plan and advocates the goal of holding land in Community Land Trusts,[137] where land would be controlled by communities rather than the private market.

The 20/20 Campaign and Fair Development Plan both connect the demand for affordable housing with living wage jobs and link public investment with public accountability, including transparency around tax breaks and other subsidies that go to economic developers for luxury housing. This is similar to Banking on Vacancy's recommendation that New York City mandate a city-wide vacant property count, turn over city-owned vacant property to be converted into housing for low-income residents, and impose a three-year time limit on residential units remaining without tenants to curb housing speculation.

Both of these start with the idea that land has inherent value that must be made useful to meet human needs.

MEASURING POVERTY

The experience of poverty and hardship in the U.S. is more widespread than the most widely reported statistics would lead us to believe. For these policies to achieve their desired effect, our current poverty measures must be updated to accurately measure poverty today. We must know what it is we are dealing with.

The official poverty threshold for a family of two adults and two children was $24,858 in 2017.[138] However, the traditional poverty measure fails to account for many factors that influence a person's true experience of poverty. Everything from government aid programs like tax credits, food stamps, and housing programs to expenses like taxes paid, work and medical expenses, and child support are treated as nonexistent by the traditional poverty measure.

Since 2011, the Census Bureau has also reported a Supplemental Poverty Measure (SPM). By that measure, a family of four with two adults and two children who rent their home lived in poverty if their income was below $27,005 in 2017. A low-income family was defined as living under twice that threshold, or just above $54,000 for the same family of four. In 2016, more than 140 million Americans were poor or low-income by this definition. This includes 39 million children (52.2% of all children), 21 million elders (41.9% of elders), 65.8 million men (42.6% of men), 74.2 million women (45% of women), 26 million Black people (60.4% of Black people), 38 million Latinx people (64.1% of Latinx people), 66 million White people (33.5% of White people), 8 million Asians (40.8% of Asians), and 2.14 million Indigenous and Native people (58.9% of Indigenous and Native people).

137 Alana Semuels, "Could Baltimore's 16,000 Vacant Houses Shelter the City's Homeless?," *The Atlantic*, October 20, 2014, https://www.theatlantic.com/business/archive/2014/10/can-homeless-people-move-into-baltimores-abandoned-houses/381647/. A Community Land Trust is a nonprofit structure that holds title to the land within it and ensures it is permanently affordable. "Structures on the land can be bought and sold, but the trust owns the land forever. A community land trust essentially takes the 'market' part out of the housing market, allowing people to buy homes but restricting their resale value in order to make them affordable for the next buyer."

138 "Poverty Thresholds," United States Census Bureau, accessed May 22, 2019, https://www.census.gov/data/tables/time-series/demo/income-poverty/historical-poverty-thresholds.html

The SPM is a more comprehensive measure of poverty, but it requires more information to be collected than the official poverty measure. Currently, the Annual Social and Economic Supplement (ASEC) is the only government survey designed to capture the information needed to construct SPM measures, but it only surveys about 40% of the country. Of the more than 3,100 counties in the U.S., ASEC samples only 1,300. In contrast, the more widely used American Community Survey is designed for small geographies, but does not include enough information for SPM measurements.

This means that data used to calculate SPM values for, especially, rural and small towns, Indigenous & Native communities, and other populations that are more difficult to identify or reach – for instance, people who are currently homeless, LGBTQIA, and people with disabilities – are underrepresented in even the most accurate poverty measures. According to the Official Poverty Measure, 26.2% of Indigenous & Native Americans were living below the federal poverty line (FPL) in 2016 (1.7 million people); 26.6% of people with disabilities were living below the FPL in 2016 (5.3 million people). According to the National Center for Transgender Equality, transgender people are likely to experience poverty at a rate double that of the general population, with transgender people of color experiencing even higher poverty rates.[139]

This is why an accurate assessment of poverty must begin with the broader SPM measure and allocate resources toward expanded capacity to identify and include all of these populations.

I am a Lakota Native-born woman raised on the Cheyenne River Sioux Tribe reservation in South Dakota. I'm a mother and a grandmother. Currently, my income is only $470 a month from disability. My partner works for the same property management company as me, and has for 15 years. He makes $10.50 an hour. Our rent is $600 each month, all utilities paid. That means close to 50% of our income goes to housing. I share my one-bedroom apartment with four other people — my partner, my daughter, her husband, and my grandson...

In South Dakota, I own, on paper, hundreds of tract acres of land. The names of my ancestors are still on the titles for that land, much of which the federal government today leases for pennies on the dollar for grazing, roads and utility lines. It doesn't make much money, and the land itself needs water and electricity to be ready to live on. It saddens me to think that for all that has been taken from the Native people of this country, this is what we have been given in return — land worth too little in the reservations, generations of people trapped in a cycle of poverty."

Lois Swimmer, Missouri

139 See Sandy E. James et al., "The Report from the 2015 U.S. Transgender Survey," National Center for Transgender Equality, December, 2016, http://www.ustranssurvey.org.

INVESTMENTS IN

AN EQUITABLE ECONOMY

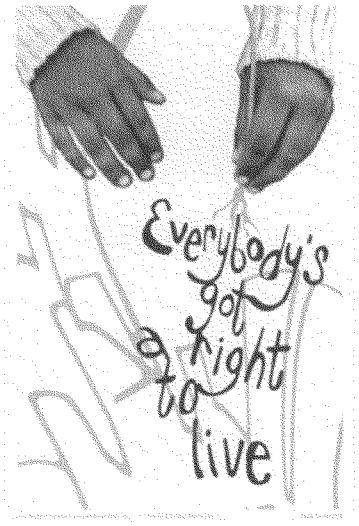
INVESTMENTS IN AN EQUITABLE ECONOMY

POOR PEOPLE'S CAMPAIGN DEMANDS

1. We demand relief from wealth inequality.

2. We demand that the wealthy and corporations pay their fair share of our country's urgent needs around decent and affordable housing, free public education, a robust social safety net and social security, and sustainable job creation.

3. We demand the repeal of the 2017 federal tax law and the reinvestment of those funds into public programs for housing, health care, education, jobs, infrastructure, and welfare for the poor.



KEY FINDINGS

- Fair taxes on the wealthy, corporations, and Wall Street could generate as much as $886 billion per year in revenue to meet urgent social and environmental needs.[140]

- Capital gains taxes on fortunes passed on to heirs would raise an estimated $78 billion per year — approximately the estimated cost of giving every American child a modest savings account at birth that would earn interest and grow, providing a nest egg for education or to buy a home.

Over the past few decades, U.S. economic inequality has skyrocketed to morally unacceptable levels. Since 1968, the top 1 percent's share of national income has nearly doubled while the official poverty rate for all U.S. families has merely inched up and down. Wealth inequality is even more extreme than income inequality. The richest 5% of Americans now hold about two-thirds of national wealth.[141]

The concentration of income and wealth at the top has siphoned resources away from those at the bottom end of the income ladder. It has also increased the political power of the ultra-rich, which they've used to shape tax, labor, health care, campaign finance, and other policies to serve their narrow interests.

"The immoral narrative says that the poor just take and take, while the wealthy earn everything they get. That's not true! Our government spends billions of dollars giving subsidies and tax breaks to the upper middle class and to the wealthy, and they treat corporations like rich individuals. And all the while, low income workers have to beg, march, and protest to demand a $15 minimum wage and a union. That's not right!"
Suzanne Krull, New York

Public investments and other policy changes aimed at shifting from a highly unequal to a more equitable economy is a matter of both moral justice and good economics. Inequity is intolerable; a few cannot have the most resources, while the most have little. It is also morally reprehensible and economically unsustainable. This imbalance prevents full participation in, and therefore weakens, the nation's economy. If the United States is to have a strong economy, all must have maximum capacity to participate in that economy. We can increase the financial viability for all by making changes to our tax code such that large corporations, wealthy individuals, and big banks on Wall Street pay their share. In this way, revenues can be delivered to invest in an equitable social order, creating solutions for social needs in the near and long term.

140 If policymakers adopted all of the proposals identified in this section, revenue estimates would need to be adjusted to account for interactions between the reforms.
141 "Facts: Wealth inequality in the United States," Inequality.org, accessed May 22, 2019, https://inequality.org/facts/wealth-inequality/.

TOWARD A MORAL TAX CODE

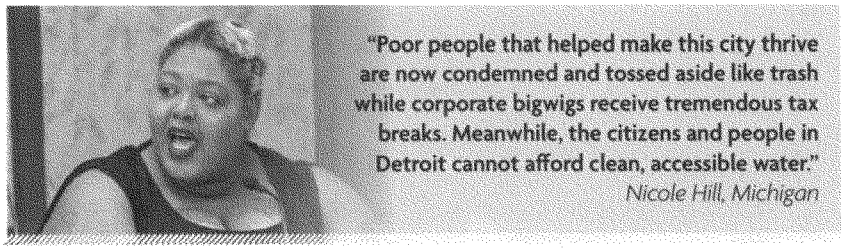
Even before Congress passed a new tax law in 2017, our tax code was riddled with loopholes and giveaways to the rich, large corporations, and Wall Street. The new tax law is even more skewed in favor of the most powerful and privileged. As Rev. William Barber and Rev. Liz Theoharis have written, the 2017 tax law is an "act of gross violence against America's poor to serve the country's richest and most powerful."[142]

More than half of the new tax cuts will flow to the richest 5% and more than a quarter will flow to the richest 1%, according to the Institute on Taxation and Economic Policy.[143] The reduction in the top corporate tax rate from 35% to 21%, a move that will mostly benefit the wealthy, will cost $1.3 trillion over 10 years.[144]

A moral approach to tax policy would repeal the 2017 tax cuts for rich individuals, large corporations, and Wall Street while introducing new tax reforms that would put the country on a more equitable course. These new tax reforms for large corporations and wealthy individuals would generate trillions of dollars in revenue that could be reinvested towards urgent social needs.

Policymakers would also need to adopt a new approach to policy-making that does not lock themselves into "pay-as-you-go" restrictions. Every dime of new spending need not be offset immediately by new revenue or spending cuts. Instead, as the new tax reforms deliver revenues for some immediate spending, policymakers can look towards the long-term economic benefits and savings that result from public investments. This is particularly true for virtually all of the tax code reforms proposed below, together with all the policy suggestions contained in this Moral Budget.

Beyond generating significant revenue, the select tax proposals highlighted below would deliver additional benefits to our democracy, economy, and environment. By ensuring that the wealthy and large corporations pay their equitable share, we would reduce the extreme inequality that is corrupting our democracy. When so much of our nation's wealth is in the hands of so few, those few can have excessive influence over our political system.



"Poor people that helped make this city thrive are now condemned and tossed aside like trash while corporate bigwigs receive tremendous tax breaks. Meanwhile, the citizens and people in Detroit cannot afford clean, accessible water."
Nicole Hill, Michigan

142 Revs. Dr. William Barber and Dr. Liz Theoharis, "The Republican Tax Bill Is Not Just Immoral. It Is an Act of Violence," *The Guardian*, December 1, 2017, https://www.theguardian.com/commentisfree/2017/dec/01/republican-tax-bill-immoral-violence.

143 Steve Wamhoff and Matthew Gardner, "Federal Tax Cuts in the Bush, Obama, and Trump Years," Institute on Taxation and Economic Policy (ITEP), July, 2018, https://itep.org/federal-tax-cuts-in-the-bush-obama-and-trump-years/.

144 "Corporate Tax Cut Benefits Wealthiest, Loses Needed Revenue, and Encourages Tax Avoidance,' Center on Budget and Policy Priorities (CBPP), June 4, 2018, https://www.cbpp.org/research/federal-tax/corporate-tax-cut-benefits-wealthiest-loses-needed-revenue-and-encourages-tax.

Some of the reforms would also help tame our financial system, encouraging long-term, job-creating investments instead of short-term gambling that puts our entire economy at risk. Still others would accelerate the shift away from a fossil fuel-based economy to a more sustainable future.

Revise Income, Investment, and Estate Taxes on the Wealthiest Americans

There is no such thing as a "self-made" person. Every high-income individual in this country has benefited from others' contributions to our education and health systems, infrastructure, and other public assets. The rich have a moral obligation to contribute their share to the common good.

And yet over the past several decades, the wealthiest Americans have used their political clout to shrink their social responsibilities. During the decades after World War II, the tax rate paid by the richest Americans on the highest part of their income rose above 90%. In 2017, the Republican tax law cut the top marginal tax rate from 39.6% to 37%. The law failed to close loopholes that have allowed the richest Americans to pay much less than the statutory top rate. In 2014, the richest 400 taxpayers paid an effective tax rate of just 23%.[145]

One way the wealthy lower their tax burden is by sheltering their income in overseas tax havens. They also benefit from the lower tax rate applied to income from investments than income from work. The top base rate on income from capital gains is just 20%, compared to the top rate on income from work of 37%. This is a huge giveaway to the richest 1%, who hold more than half of national wealth invested in stocks and mutual funds.[146] The 2017 tax cut on "pass-through" business income provided yet another way for the wealthy to avoid paying their fair share.

"Poor and homeless people get stereotyped like we're too stupid and lazy to solve our own problems. I wasn't homeless because I was stupid and lazy. I was homeless because our country has no problem with pregnant mothers being homeless in the dead of winter while just two hours away, in Seattle, the founders of Microsoft and Amazon have made themselves the richest individuals on the planet. You tell me who's messed up in this situation."
Mashyla Buckmaster, Washington

The wealthiest Americans have also fought for, and won, numerous tax loopholes that allow them to transfer their fortunes from one generation to another, creating dynasties of unearned privilege.

145 "The 400 Individual Income Tax Returns Reporting the Largest Adjusted Gross Incomes Each Year, 1992-2014," Sternal Revenue Service, Statistics of Income Division, December, 2016, https://www.irs.gov/pub/irs-soi/14intop400.pdf
146 Edward N. Wolff, "Household Wealth Trends in the United States, 196 to 2016: Has Middle Class Wealth Recovered?," National Bureau of Economic Research, 2017, https://doi.org/10.3386/w24085.

During the Gilded Age of extreme inequality at the beginning of the 20th Century, proposals to use the tax code to address this problem enjoyed bipartisan support, including from Republican President Teddy Roosevelt. In 1916, Congress passed an estate tax to curb wealth concentration and raise revenue for costs associated with World War I. Over the years, the rich have effectively lobbied for loopholes in this law. The 2017 Republican tax law watered down the estate tax further, and failed to close a loophole that allows the heirs of grand fortunes to avoid paying capital gains taxes on assets they inherit.

By closing loopholes that benefit the wealthy and raising tax rates at the top, we could generate substantial revenue for investments that would further reduce inequality. For example, by collecting capital gains taxes on fortunes that are passed on to heirs, we could raise an estimated $780 billion over 10 years — about the projected cost of a baby bonds program that would give every American child the chance to realize their full potential.

TABLE 1: FAIR TAXES ON THE RICHEST AMERICANS

	Revenue estimate ($billions over 10 years)
Impose a surtax on all income of millionaires A 5.5% surtax on total annual income, including investment income, above $1 million ($500,000 for singles) would raise at least this much.	500[147]
Raise the top individual tax rate to 70% Republicans reduced the top marginal rate from 39.6% to 37% in 2017. A 70% rate on income above $10 million would restore the top marginal tax to post-war economic boom levels.	353[148]
Tax income from investments at the same rate as income from work The top rate on income from investments (long-term capital gains and dividends) is currently just 20%, significantly lower than the 37% top marginal tax rate on ordinary income.[149]	1,500[150]
Strengthen the estate tax The 2017 Republican reform weakened this modest curb on dynastic wealth accumulation so that it applies only to estates worth $11 million ($22 million per couple).[151] This revenue estimate is based on closing loopholes and applying graduated rates to estates worth more than $3.5 million ($7 million per couple).	400[152]
Annual wealth tax on the very wealthiest Based on an "Ultra-Millionaires Tax" of 2% on fortunes exceeding $50 million and a 3% tax on fortunes exceeding $1 billion.	2,750[153]
Tax capital gains from sales of inherited assets The wealthy become even wealthier by inheriting assets that have increased in value but, under current law, are not subject to a capital gains tax.	780[154]

For further detail on revenue estimates, see William Rice and Frank Clemente, "Fair Taxes Now: Revenue Options for a Fair Tax System," Americans for Tax Fairness, April 2019, https://americansfortaxfairness.org/wp-content/uploads/ATF-Fair-Taxes-Now-Report-FINAL-FINAL-4-12-19.pdf.

Fair Taxes on Large Corporations

A moral tax code would also require large U.S. corporations to pay their fair share. Even before the 2017 tax law, the share of federal revenue from corporations was steadily declining as firms became ever more adept at exploiting loopholes to dodge their fiscal responsibilities. Then, despite the fact that corporate profits were at near record highs, Congress gave corporations a massive giveaway by slashing the corporate income tax rate from 35% to 21%.

The argument was that U.S. corporations needed a tax break to be globally competitive and to boost investments and job creation. Instead, corporations have spent tax windfalls on stock buybacks, a legal form of stock manipulation that mostly rewards rich CEOs and shareholders. In the first few months after passage of the new tax law, U.S. corporations announced $936 billion in stock buybacks.[155]

> **"Closing the tax loophole on overseas corporate profits can generate all the funding we need to fully fund our water system, and then some."**
>
> *Mary Grant, Washington D.C.*

147 "Budgetary Effects of S. 1660, The American Jobs Act of 2011," Congressional Budget Office, October 7, 2011, http://www.cbo.gov/sites/default/files/cbofiles/attachments/s1660.pdf. CBO estimated revenue of $453 billion in 2011. Due to the sharp increase in income among the super-wealthy, such a surtax would generate at least $500 billion today.

148 John Ricco and Rich Prisinzano, "The Hidden Revenue Cost of a 70% Top Marginal Rate," Penn Wharton University of Pennsylvania, Budget Model, January 24, 2019, http://budgetmodel.wharton.upenn.edu/issues/2019/1/24/the-hidden-revenue-cost-of-a-70-top-marginal-rate.

149 "SOI Tax Stats — Individual Income Tax Returns," Internal Revenue Service, Tax Statistics, accessed May 22, 2019, https://www.irs.gov/statistics/soi-tax-stats-individual-income-tax-returns. A capital gain is the profit made from selling an asset for more than its cost; dividends are corporate payments to shareholders. Both forms of income are heavily concentrated among the wealthiest Americans. In 2016, taxpayers with over $250,000 a year in income received more than half of all dividends and more than three-quarters of all capital gains.

150 Steve Wamhoff and Matthew Gardner, "Progressive Revenue-Raising Options," Institute for Taxation and Economic Policy, February, 2019, https://itep.org/wp-content/uploads/020519-Progressive-Revenue-Raising-Options.pdf.

151 "2017 Tax Law Weakens Estate Tax, Benefiting Wealthiest and Expanding Avoidance Opportunities," Center on Budget and Policy Priorities (CBPP), June 1, 2018, https://www.cbpp.org/research/federal-tax/2017-tax-law-weakens-estate-tax-benefiting-wealthiest-and-expanding-avoidance

152 Mark Zandi, "Addressing the Affordable Housing Crisis," Moody's Analytics, September 2018, https://www.warren.senate.gov/imo/media/doc/Moody's%20Report%20on%20American%20Housing%20and%20Economic%20Mobility%20Act.pdf.

153 Emmanuel Saez and Gabriel Zucman, a letter regarding Sen. Warren's "Proposal to Impose a Progressive Annual Wealth Tax on American Households with Net Worth (Sum of All Assets Net Debts) Above $50 Million," January 18, 2019, https://www.warren.senate.gov/imo/media/doc/saez-zucman-wealthtax.pdf.

154 Wamhoff and Gardner, "Progressive Revenue-Raising Options."

155 "Stock Buybacks," Americans for Tax Fairness (ATF), accessed February 18, 2019, https://americansfortaxfairness.org/stock-buybacks/.

As with rich individuals, corporations benefit from all the public investments that form the foundation of our economy and they have a moral obligation to pay their fair share of taxes. Restoring the corporate tax rate to 35% would generate $1.3 trillion over 10 years. Rolling back a new tax break for hedge fund managers and many other individuals who receive "pass-through" business income would generate another $387 billion over a decade. We should also ensure that our tax policies are consistent with the goal of transitioning away from a fossil fuel-based economy. A first step is to repeal tax breaks that support extractives industries.

TABLE 2: FAIR TAXES ON CORPORATIONS

	Revenue estimate ($billions over 10 years)
Restore corporate tax rate to 35% The 2017 Republican tax reform slashed the corporate tax rate from 35% to 21% This is already causing a dramatic drop in federal revenue.[156]	1,300[157]
Repeal tax breaks for fossil fuels The 2017 Republican tax reform introduced new tax cuts and failed to close existing loopholes for the oil and gas sector. These are significant setbacks in the struggle to transition away from a fossil fuel-based economy.	10[158]
Repeal new tax break for pass-through income The Republican tax reform provided a 20% deduction for "pass-through" business income, more than 80% of which will go to the richest 5% (e.g., hedge and private equity fund managers and corporate law firm partners).	387[159]

For further detail on revenue estimates, see William Rice and Frank Clemente, "Fair Taxes Now: Revenue Options for a Fair Tax System," Americans for Tax Fairness, April 2019, https://americansfortaxfairness.org/wp-content/uploads/ATF-Fair-Taxes-Now-Report-FINAL-FINAL-4-12-19.pdf.

156 "Corporate Tax Receipts Took An Unprecedented Drop This Year," Peter G. Peterson Foundation, October 17, 2018, https://www.pgpf.org/blog/2018/10/corporate-tax-receipts-were-down-by-nearly-one-third-in-fiscal-year-2018.

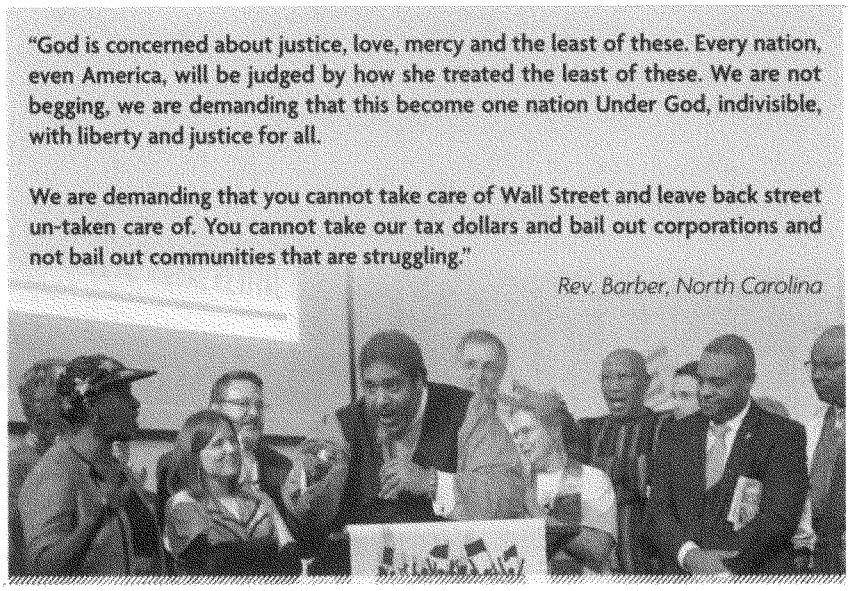
157 "Options for Reducing the Deficit: 2019 to 2028," Congressional Budget Office (CBO), December 2018, https://www.cbo.gov/system/files?file=2018-12/54667-budgetoptions.pdf. The CBO estimates revenue of $96.3 billion over 10 years per percentage point increase. Estimate in table is based on 14-point increase.

158 "General Explanations of the Administration's Fiscal Year 2017 Revenue Proposals," Department of the Treasury, February, 2016, https://www.treasury.gov/resource-center/tax-policy/Documents/General-Explanations-FY2017.pdf. Based on subsidies identified in 2017 U.S. Treasury report, including: special depletion calculation for oil, gas, and other fuels, expensing of exploration and development costs, and corporate tax exemption for fossil fuel publicly traded partnerships.

159 "Estimated Budget Effects of the Conference Agreement for H.R.1, The Tax Cuts and Jobs Acts," Joint Committee on Taxation (JCT), Item I.B.1 and 2, December 18, 2017, https://www.jct.gov/publications.html?func=startdown&id=5053. Estimate is revenue lost from tax break through 2025, when it is set to expire, not revenue gained by eliminating it.

Fair Taxes on Wall Street

After Wall Street greed and recklessness drove the U.S. economy off a cliff in 2008, the big banks got bailed out while millions of Americans lost their homes. More than a decade later, no financial executive has gone to jail for their role in this catastrophe and taxpayers are still on the hook for future bailouts.



Effective tax policies could help rein in Wall Street and restore our financial system to its original purpose of financing job-creating investment. One proposal that is gaining support is a small tax on financial market trades. Currently, a poor family is likely to have to pay a sales tax when they buy new shoes for their children or put a gallon of gas in their car, but high-flying Wall Street traders pay no tax on purchases of stocks or derivatives worth millions of dollars. Even a tiny financial transaction tax of just a fraction of a percent on each trade would curb purely speculative financial trading that has no social value while generating significant revenue for public goods. For the ordinary investor in a pension or mutual fund, such taxes would be negligible — comparable to a small insurance fee against future crises.

Another Wall Street-focused tax proposal would address the excessive, high-risk borrowing by big banks that led to the 2008 crash. When the housing bubble burst, these "too big to fail" banks could

not repay their debts and the financial system collapsed. A small tax of 0.15% on the largest banks' uninsured liabilities (excluding FDIC-insured customer deposits) would raise $103 billion.[160]

TABLE 3: FAIR TAXES ON WALL STREET

	Revenue estimate ($billions over 10 years)
Financial transaction tax Taxing Wall Street trades would discourage risky, short-term speculation while encouraging longer-term, job-creating investment.	777[161]
Big bank levy A small tax of 0.15% on the liabilities of banks with assets of $50 billion or more would encourage less risky investments and help prevent future bail-outs that siphon resources away from social needs.	103[162]

For further detail on revenue estimates, see William Rice and Frank Clemente, "Fair Taxes Now: Revenue Options for a Fair Tax System," Americans for Tax Fairness, April 2019, https://americansfortaxfairness.org/wp-content/uploads/ATF-Fair-Taxes-Now-Report-FINAL-FINAL-4-12-19.pdf.

NARROWING THE RACIAL WEALTH DIVIDE

A key step in minimizing economic inequality is to address the racial wealth divide, which is greater today than it was nearly four decades ago.[163] This divide has been created and held in place by public policies that have evolved over time including slavery, sharecropping, Jim Crow, red lining, mass incarceration, and predatory subprime lending, among many others.

Families of color are much more likely to have zero or "negative" wealth, meaning their debts exceed their assets. For these households, an unexpected major expense, such as a medical or car repair bill, can lead to economic disaster. Thirty-seven percent of Black families and 33% of Latinx families have zero or negative wealth, compared to just 15.5% of White families.[164]

"For a long time I felt guilt and shame as a mother, because I wasn't able to provide for my kids. I was desperate to give my kids everything they needed, and also make my guilt go away. I could never make ends meet...."

Quiahnya Walker Dillon, Missouri

160 Impose a Fee on Large Financial Institutions," Congressional Budget Office (CBO), December 13, 2018, https://www.cbo.gov/budget-options/2018/54822.

161 "Options for Reducing the Deficit: 2019 to 2028," Congressional Budget Office (CBO), December 2018, https://www.cbo.gov/system/files?file=2018-12/54667-budgetoptions.pdf. The CBO estimates revenue of $96.3 billion over 10 years per percentage point increase. Estimate in table is based on 14-point increase.

162 Impose a Fee on Large Financial Institutions," Congressional Budget Office (CBO), December 13, 2018, https://www.cbo.gov/budget-options/2018/54822.

163 "Ten Solutions to Bridge the Racial Wealth Divide," Inequality.org, April 15, 2019, https://inequality.org/great-divide/ten-solutions-bridge-racial-wealth-divide/.

164 Chuck Collins et al., "Dreams Deferred: How Enriching the 1 Percent Widens the Racial Wealth Divide," Institute for Policy Studies (IPS), January 14, 2019. https://ips-dc.org/racial-wealth-divide-2019/.

One of the most promising proposals for narrowing the country's extreme racial wealth divide is the creation of a "baby bonds" program. Under a plan developed by economists William Darity and Darrick Hamilton, the federal government would provide bonds for each American child, regardless of race, valued at between $500 and $50,000, depending on the parents' wealth level. The bond would be held in an account similar to Social Security until the child turns 18. At that time, the recipient could spend the money on higher education, purchasing a home or business, or other wealth-enhancing activities.[165]

Such a program would cost an estimated $800 billion over 10 years.[166] According to Darity and Hamilton, this investment would go a long towards curbing the transmission of economic advantage across generations, which is a major factor in the racial wealth divide.[167]

A baby bonds program would allow young people to access their baby bond accounts when they reach their 18th birthday. But the U.S. has higher youth mortality rates than comparable countries, and especially high rates among Black and Indigenous & Native youth, and some young people would never gain access to their accounts. This proposal must therefore be considered alongside broader proposals to solve the underlying problems of poverty and racism through programs for jobs, health care, housing, social welfare, and building thriving peaceful communities that have clean water, air, food and all things necessary for a safe and healthful childhood.

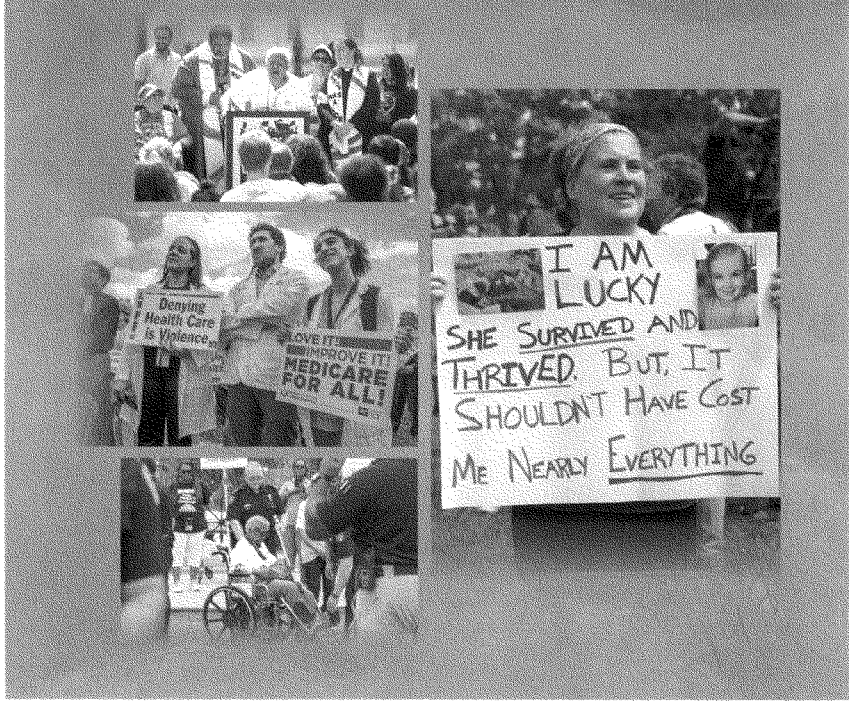
165 Lynn Parramore, "Baby Bonds: A Plan for Black/White Wealth Equality Conservatives Could Love?," Institute for New Economic Thinking, October 25, 2016, https://www.ineteconomics.org/perspectives/blog/baby-bonds-a-plan-for-black-white-wealth-equality-conservatives-could-love-1.

166 *Ibid.*

167 Darrick Hamilton, William Darity, "Can Baby Bonds Eliminate the Racial Wealth Gap in Putative Post-Racial America?," *The Review of Black Political Economy* 37, no. 3 (September 2010): 207-216., https://www.researchgate.net/publication/227301907_Can_'Baby_Bonds'_Eliminate_the_Racial_Wealth_Gap_in_Putative_Post-Racial_America.

INVESTMENTS IN

LIFE & HEALTH



INVESTMENTS IN LIFE & HEALTH

POOR PEOPLE'S CAMPAIGN DEMANDS

1. We demand the expansion of Medicaid in every state and the protection of Medicare and single-payer universal health care for all.

2. We demand fully funded public resources and access to mental health professionals and addiction and recovery programs.

KEY FINDINGS

- Expanding Medicaid in the 14 states that have not yet taken advantage of Affordable Care Act subsidies for Medicaid would cost the federal government $25 billion in the first year — roughly the amount the Pentagon awards one company, Boeing, in military contracts each year.[168]

- Even better, by eliminating bloat and negotiating better prices, a publicly funded single-payer system would save money overall. One analysis estimates the savings at 9% over current costs, saving businesses and individuals as much as $310 billion per year, even as coverage is expanded to all.[169]

- An investment of an additional $31 billion in the Indian Health Service would begin to redress the five and a half year difference in life expectancy between Native Americans and the United States average, and would cost less than half of our current spending on wars in Iraq, Afghanistan, Syria, and Yemen.[170]

The U.S. health care system is notorious for being the most expensive in the world on a per person basis, with little to show for it.[171] U.S. infant[172] and maternal[173] mortality rates are among the highest in the developed world. Infant mortality rates for Black infants were twice as high as for White infants,[174] and Black women are at least three times more likely to die from pregnancy-related causes as non-Hispanic White women.[175] Life expectancy overall in the U.S. has declined, driven in large part by the increasing frequency of fatal drug overdoses.[176]

168 "Spending by Transaction," USA Spending, accessed May 22, 2019, https://www.usaspending.gov/#/keyword_search/Boeing.

169 Robert Pollin et al., "Economic Analysis of Medicare for All," Political Economy Research Institute, University of Massachusetts-Amherst, November 30, 2018, https://www.peri.umass.edu/publication/item/1127-economic-analysis-of-medicare-for-all.

170 "Defense Budget Overview: United States Department of Defense Fiscal Year 2020 Budget Request," Office of the Under Secretary of Defense (Comptroller)/Chief Financial Officer, March 5, 2019, https://comptroller.defense.gov/Portals/45/Documents/defbudget/fy2020/fy2020_Budget_Request_Overview_Book.pdf.

171 Karen Feldscher, "What's Behind High U.S. Health Care Costs," The Harvard Gazette, March 13, 2018, https://news.harvard.edu/gazette/story/2018/03/u-s-pays-more-for-health-care-with-worse-population-health-outcomes/.

172 Centers for Disease Control and Prevention, "International Comparisons of Infant Mortality and Related Factors: United States and Europe, 2010," National Vital Statistics Reports 63, no. 5 (September 24, 2014), https://www.cdc.gov/nchs/data/nvsr/nvsr63/nvsr63_05.pdf.

173 American College of Obstetricians and Gynecologists, "Maternal Mortality," https://www.acog.org/About-ACOG/ACOG-Departments/Government-Relations-and-Outreach/Federal-Legislative-Activities/Maternal-Mortality?IsMobileSet=false.

174 Henry J. Kaiser Family Foundation, "Key Facts on Health and Health Care by Race and Ethnicity, Section 3: Health Status and Outcomes," June 7, 2016, https://www.kff.org/report-section/key-facts-on-health-and-health-care-by-race-and-ethnicity-section-3-health-status-and-outcomes/

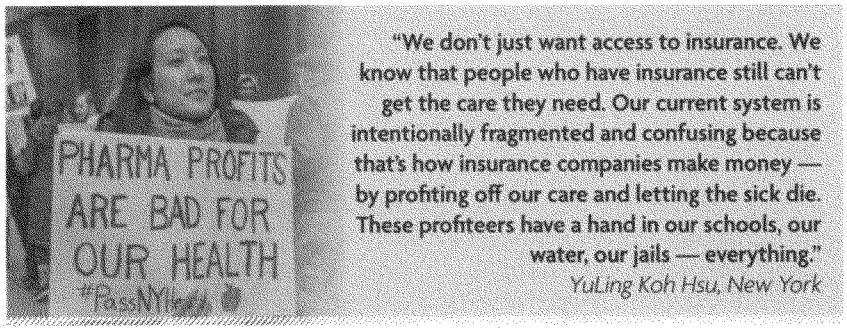
175 American College of Obstetricians and Gynecologists, "Maternal Mortality."

176 Centers for Disease Control and Prevention, "Death Rates Up for 5 of the 12 Leading Causes of Death," September 20, 2018, https://www.cdc.gov/media/releases/2018/p0920-death-rates-up.html.

According to the Kaiser Family Foundation, in 2016, 43% of adults with private health insurance struggled to afford making their deductible payments, and nearly 30% experienced difficulties affording medical bills. Of those with financial difficulties, 73% said they had cut back on basic household necessities and food.[177]

While the implementation of the Affordable Care Act (ACA) has significantly reduced the ranks of the uninsured, the system remains full of gaps, and is rigged against the poor and people of color. In 2017, more than 27 million Americans were uninsured, and people of color were at higher risk of being uninsured than White people.[178] States that failed to expand Medicaid left more of their people without health insurance and, in many cases, with fewer hospitals.[179]

Against this backdrop, public investments in health care extend life-saving care to millions of Americans. Despite the shortcomings and expenses of our health care system, public health care systems in the form of Medicare and Medicaid provide excellent care and are more cost-effective than private insurance.[180] These public programs provide health insurance to one in three Americans.[181] Since the Affordable Care Act went into effect, 19 million Americans have gained health coverage.[182]



"We don't just want access to insurance. We know that people who have insurance still can't get the care they need. Our current system is intentionally fragmented and confusing because that's how insurance companies make money — by profiting off our care and letting the sick die. These profiteers have a hand in our schools, our water, our jails — everything."
YuLing Koh Hsu, New York

177 DiJulio, Bianca et al., "Data Note: Americans' Challenges with Health Care Costs." Kaiser Family Foundation, March 2, 2017, www.kff.org/health-costs/poll-finding/data-note-americans-challenges-with-health-care-costs/.
178 *Ibid.*
179 Adam Searing, "More Rural Hospitals Closing in States Refusing Medicaid Coverage Expansion," Georgetown University Health Policy Institute, October 29, 2018, https://ccf.georgetown.edu/2018/10/29/more-rural-hospitals-closing-in-states-refusing-medicaid-coverage-expansion/.
180 Robin Rudowitz, Rachel Garfield, and Elizabeth Hinton, "10 Things to Know About Medicaid: Setting the Facts Straight," Kaiser Family Foundation, March 6, 2019, https://www.kff.org/medicaid/issue-brief/10-things-to-know-about-medicaid-setting-the-facts-straight/.
181 "Health Insurance Coverage of the Total Population, 2017," Kaiser Family Foundation, accessed May 21, 2019, https://www.kff.org/other/state-indicator/total-population/?currentTimeframe=0&sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D.
182 "Potential Impact of Texas v. U.S. Decision on Key Provisions of the Affordable Care Act," Kaiser Family Foundation, March 26, 2019, https://www.kff.org/health-reform/fact-sheet/potential-impact-of-texas-v-u-s-decision-on-key-provisions-of-the-affordable-care-act/.

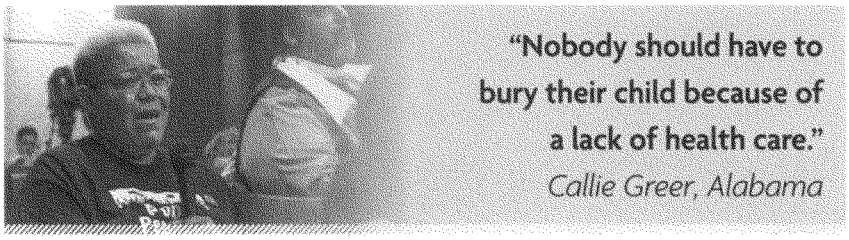
HEALTH CARE FOR ALL

The United States must take swift action to further strengthen the health care system. The current system is costly both fiscally and in terms of the human lives lost in the struggle to access health care. The refusal to expand Medicaid in many states, cuts to adult dental benefits, proposals for work requirements, privatization of expanded Medicaid coverage, rural hospital closures, and the rising costs of medical care make it increasingly difficult for the poor to access health care.

As a nation, we must value and affirm all lives by ensuring health coverage and access to all health services for all. A universal health plan in which the federal government is the single-payer for health services is both morally responsible and, as it ultimately lowers health care costs, economically sound. A moral health care plan would also prohibit managed care organizations, accountable care organizations, pharmaceutical companies, hospital systems, and insurance companies from profiteering off the health care system.

Expand Medicaid

The first step toward health coverage for all is to expand Medicaid in all states. Medicaid is a large single-payer plan that already exists in America and provides insurance for one in five poor and low-income Americans, especially children. In a typical state, 83% of poor children receive insurance through Medicaid.[183] Under provisions of the Affordable Care Act, states have the capacity to insure even more.



The ACA provisions allow for Medicaid coverage for all state residents up to 138% of the federal poverty line. Currently, 37 states, including Washington, D.C., have expanded Medicaid to cover more people under the ACA provisions. Expanding Medicaid across all states can be seen as an incremental step towards providing a single-payer universal plan for all Americans. As of today, 14 states have yet to take up the expansion of Medicaid provided for in the ACA. These states are Alabama, Florida, Georgia, Kansas, Mississippi, Missouri, North Carolina, Oklahoma, South Carolina, South Dakota, Tennessee, Texas, Wisconsin, and Wyoming.[184] The federal cost of these state-level expansions would be roughly $25 billion in the first year of adoption.[185] These costs would be subsumed by the costs of a universal single-payer plan once implemented.

183 Robin Rudowitz, Rachel Garfield, and Elizabeth Hinton, "10 Things to Know About Medicaid: Setting the Facts Straight," Kaiser Family Foundation, March 6, 2019, https://www.kff.org/medicaid/issue-brief/10-things-to-know-about-medicaid-setting-the-facts-straight/.

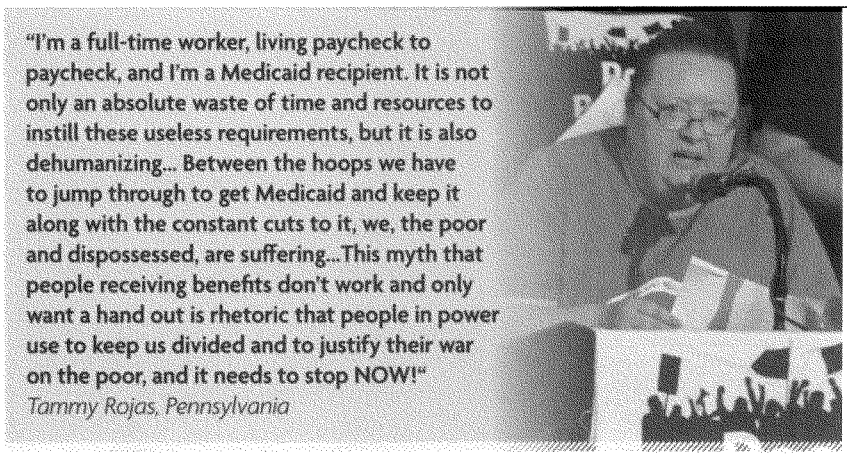
184 "Status of State Action on the Medicaid Expansion Decision," Kaiser Family Foundation, Nov. 26, 2018, https://www.kff.org/health-reform/state-indicator/state-activity-around-expanding-medicaid-under-the-affordable-care-act/?currentTimeframe=0&sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D#note-8

185 Stan Dorn, Megan McGrath, and John Holahan, "What Is the Result of States Not Expanding Medicaid? Timely Analysis of Immediate Health Policy Issues," Urban Institute, August 2014, www.urban.org/sites/default/files/publication/22816/4131192-What-is-the-Result-of-States-Not-Expanding-Medicaid-.PDF.

Adults who were covered by Medicaid as children have substantially better health throughout their adult lives. They also work and earn more, pay more taxes, and collect fewer safety net benefits.[186] Studies also show that Medicaid expansions result in reductions in uncompensated care costs for hospitals and clinics and have positive or neutral effects on employment and the labor market.[187]

In June 2018, Arkansas instituted a work requirement for Medicaid recipients. More than 18,000 of the 115,000 poor and working-class recipients in Arkansas lost their coverage for several months. In March 2019, the Federal District Court for the District of Columbia rolled back these work requirements.[188] Work requirements are immoral and have no place in Medicaid expansion.

For people with disabilities, Medicaid expansion must allow in-home health care, rather than using long-term facilities or nursing homes, both of which carry additional costs. Overall, expanding Medicaid means more people with insurance, which will result in better health outcomes, leading to increased productivity and, ultimately, economic growth.



"I'm a full-time worker, living paycheck to paycheck, and I'm a Medicaid recipient. It is not only an absolute waste of time and resources to instill these useless requirements, but it is also dehumanizing... Between the hoops we have to jump through to get Medicaid and keep it along with the constant cuts to it, we, the poor and dispossessed, are suffering...This myth that people receiving benefits don't work and only want a hand out is rhetoric that people in power use to keep us divided and to justify their war on the poor, and it needs to stop NOW!"
Tammy Rojas, Pennsylvania

186 Karina Wagnerman, Alisa Chester, and Joan Alker, "Medicaid Is A Smart Investment in Children," Georgetown University Health Policy Institute, March 2017, http://ccf.georgetown.edu/wp-content/uploads/2017/03/MedicaidSmartInvestment.pdf.
187 "Status of State Action on the Medicaid Expansion Decision," Kaiser Family Foundation, November 26, 2018, https://www.kff.org/medicaid/issue-brief/the-effects-of-medicaid-expansion-under-the-aca-updated-findings-from-a-literature-review-march-2018/.
188 Amy Goldstein, "Federal judge blocks Medicaid work requirements in Kentucky and Arkansas." *Washington Post*, March 27, 2019, https://www.washingtonpost.com/national/health-science/federal-judge-blocks-medicaid-work-requirements-in-kentucky-and-arkansas/2019/03/27/34dab2c8-50a8-11e9-a3f7-78b7525a8d5f_story.html.

Protect and Secure Medicare

The next step in providing health coverage for all is to protect and secure Medicare. Medicare provides health insurance protection to virtually all elderly Americans and many workers who become disabled. The introduction of Medicare in 1965 was associated with a substantial reduction in the elderly's exposure to out-of-pocket medical expenditure risk, with a 40% decline in out-of-pocket spending for those with the highest out-of-pocket costs. The welfare gains from such reductions in risk exposure alone may be sufficient to cover between half and three-quarters of the costs of the Medicare program.[189] Yet, Medicare has come under threat by proposals to turn it into a semi-privatized voucher system, among other changes.

Eroding the health security guarantee that Medicare provides could substantially increase the ranks of the "vulnerable elderly," older households at risk of falling into poverty.[190] Replacing Medicare's public insurance with vouchers would introduce new risks for elderly and disabled Americans. Over time, all beneficiaries would bear risk if voucher amounts failed to keep pace with rising health care costs.[191]

Cutting Medicare is not a cost-effective proposition. In an economic study from the Federal Reserve Bank of Minneapolis that modeled the effects of a hypothetical elimination of Medicare, the results found that the government would save only 46 cents for every dollar it cut on Medicare. The study found that the welfare loss of eliminating Medicare would be equivalent to a loss of at least $9,900 per person immediately after the change.[192]

Cuts to Medicare are also partly responsible for the closure of rural hospitals across the country. According to the U.S. Government Accountability Office, 64 rural hospitals were closed between 2013-2017, which was more than twice as many as in previous years.[193] These were mainly in the South, and those that relied more on coverage for Medicare beneficiaries were disproportionately more likely to be closed.[194] A hospital closure cascades through a community and is a stark reminder that its best days may be over.

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189 Amy Finkelstein and Robin McKnight, "What Did Medicare Do (And Was It Worth It)?," National Bureau of Economic Research, September 2005, https://www.nber.org/papers/w11609.

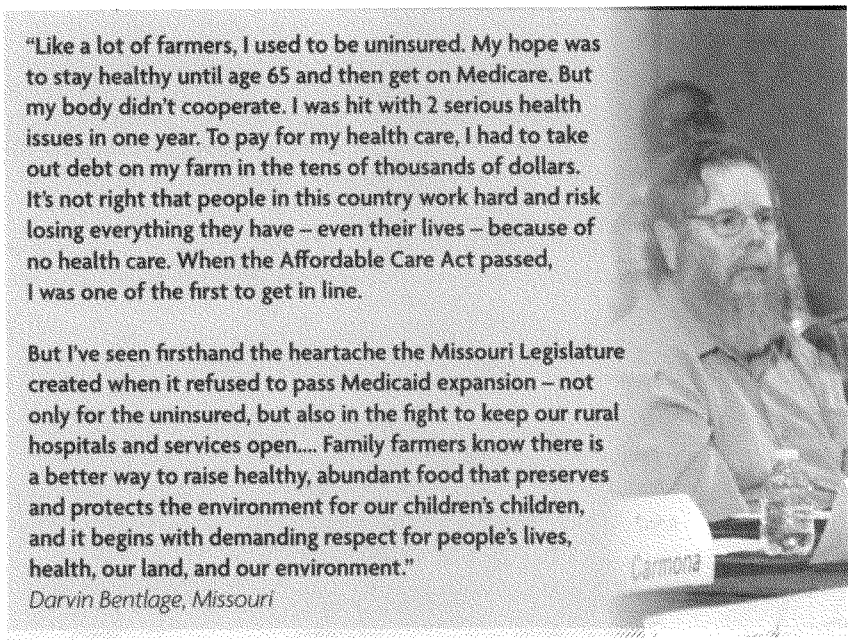
190 David Cooper and Elise Gould, "Financial Security of Elderly Americans at Risk: Proposed Changes to Social Security and Medicare Could Make a Majority of Seniors 'Economically Vulnerable'," Economic Policy Institute, June 6, 2013, www.epi.org/publication/economic-security-elderly-americans-risk/.

191 Judy Feder, "Medicare, Medicaid protect us from healthcare risks," *Modern Healthcare*, May 23, 2015, https://www.modernhealthcare.com/article/20150523/MAGAZINE/305239939/commentary-medicare-medicaid-protect-us-from-healthcare-risks.

192 Juan Carlos Conesa, et al., "Macroeconomic Effects of Medicare," Federal Reserve Bank of Minneapolis, April 2017, https://www.minneapolisfed.org/research/sr/sr548.pdf.

193 "Rural Hospital Closures: Number and Characteristics of Affected Hospitals and Contributing Factors," U.S. Government Accountability Office, August 29, 2018, https://www.gao.gov/products/GAO-18-634.

194 *Ibid.*



"Like a lot of farmers, I used to be uninsured. My hope was to stay healthy until age 65 and then get on Medicare. But my body didn't cooperate. I was hit with 2 serious health issues in one year. To pay for my health care, I had to take out debt on my farm in the tens of thousands of dollars. It's not right that people in this country work hard and risk losing everything they have – even their lives – because of no health care. When the Affordable Care Act passed, I was one of the first to get in line.

But I've seen firsthand the heartache the Missouri Legislature created when it refused to pass Medicaid expansion – not only for the uninsured, but also in the fight to keep our rural hospitals and services open.... Family farmers know there is a better way to raise healthy, abundant food that preserves and protects the environment for our children's children, and it begins with demanding respect for people's lives, health, our land, and our environment."
Darvin Bentlage, Missouri

The benefits of Medicare, on the other hand, are significant. Average-income single adults retiring between 2015 and 2020 will receive about $500,000 in benefits, and couples will receive roughly $1 million.[195]

The United States cannot afford to minimize its health investments for older Americans. Medicare, like Medicaid, is another cost-effective example of universal health care. It is a foundation to be secured and built upon.

Towards Universal Health Care

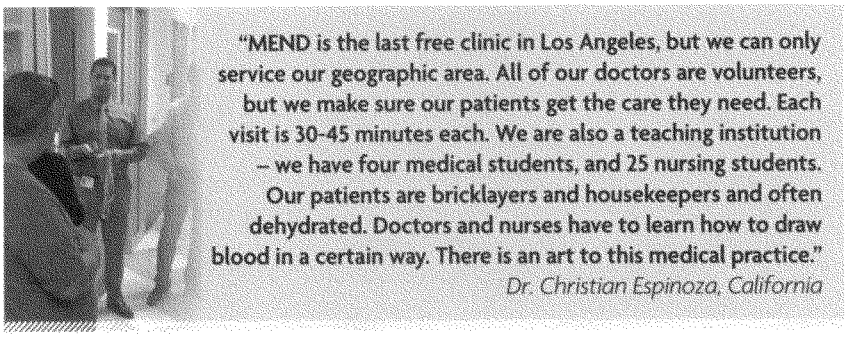
The gold standard for cost-effective, full health coverage for every person is the single-payer universal health care model. Recently, many have advocated for a "Medicare for All" model. Multiple estimates of costs and savings from various imaginings of universal health care plans have been made. All of these estimates conclude that single-payer programs will cost less per person than our current health care system.

According to the University of Massachusetts' Political Economy Research Institute (PERI), as of 2017 the U.S. was spending about $3.24 trillion on personal health care. This is 17% of total U.S. GDP, while 9% of U.S. residents have no insurance, and 26% are underinsured.[196]

195 C. Eugene Steuerle and Caleb Quakenbush, "Social Security and Medicare Lifetime Benefits and Taxes: 2018 Update," Urban Institute, October 2018, https://www.urban.org/research/publication/social-security-and-medicare-lifetime-benefits-and-taxes-2018-update.
196 Robert Pollin et al., "Economic Analysis of Medicare for All," Political Economy Research Institute, November 30, 2018, https://www.peri.umass.edu/publication/item/1127-economic-analysis-of-medicare-for-all.

The PERI study breaks down the costs and savings of single-payer Medicare for All for a hypothetical 2017 program year with universal coverage. Based on these figures, Medicare for All could reduce total health care spending in the U.S. by about 9%, to $2.93 trillion, while covering all Americans.[197]

In order to achieve these lower overall costs, a single payer system must shift costs from individuals and businesses to government. According to the PERI analysis, current payments for private insurance, out-of-pocket expenses, and some philanthropic and other sources totaling $1.69 trillion would be redirected to Medicare for All, and new taxes totaling $1.08 trillion would be introduced. The result is a net savings on health care amounting to $278 billion in 2017.



"MEND is the last free clinic in Los Angeles, but we can only service our geographic area. All of our doctors are volunteers, but we make sure our patients get the care they need. Each visit is 30-45 minutes each. We are also a teaching institution – we have four medical students, and 25 nursing students. Our patients are bricklayers and housekeepers and often dehydrated. Doctors and nurses have to learn how to draw blood in a certain way. There is an art to this medical practice."

Dr. Christian Espinoza, California

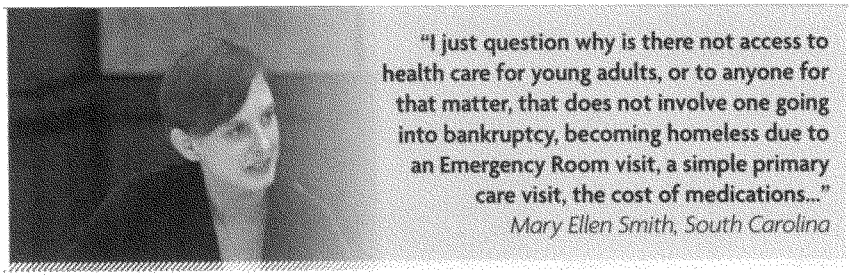
In addition to lower overall costs, this Medicare for All proposal would create additional benefits such as less income inequality, higher productivity, and reduced waste and fraud.

A universal health plan will be able to insure everyone at a lower total cost than we are currently paying to insure only about 90% of the population. According to PERI, the most significant sources of cost saving will be in the areas of: administration; pharmaceutical pricing; and establishing uniform Medicare rates for hospitals, physicians, and clinics.[198] For example, within a single payer system, the government could negotiate drug prices to stop pharmaceutical price gouging and set a maximum allowable profit margin for hospitals.[199]

Another analysis by Dean Baker[200] shows that Medicare for All would cost $38.6 trillion over the next 10 years, annualized at $3.86 trillion per year. Under this estimate, the government would use the $2C trillion it is currently expected to spend on health care toward this total, leaving $1.8 trillion in new government spending each year.

197 *Ibid.*
198 *Ibid.*
199 Robert Pollin et al., "Economic Analysis of Medicare for All."
200 Dean Baker, "Can We Pay for Single Payer?," *Democracy Journal*, September 14, 2017, https://democracyjournal.org/arguments/can-we-pay-for-single-payer/.

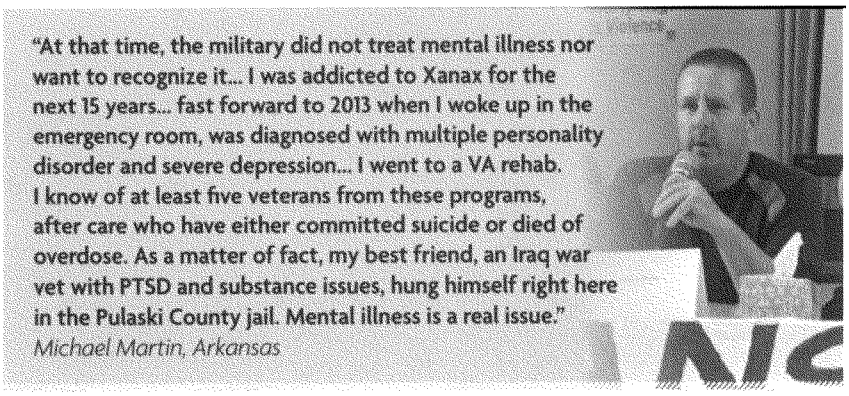
Under both estimates, national health spending by all payers is actually reduced with the implementation of the single-payer plan, giving American families more disposable income to spend on other goods and services.



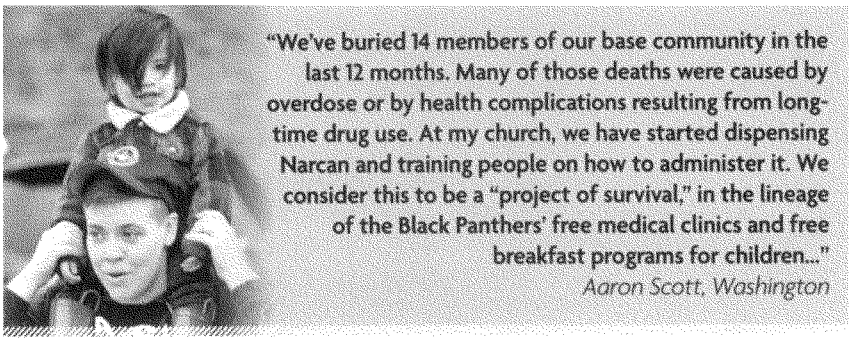
Equal Treatment for Mental Health and Substance Use

All of these options – expanding Medicaid, protecting and securing Medicare, and moving towards universal health care – must account for needed improvements in mental health treatment, and substance use recovery, treatment, and support. One proposal makes increased allocations towards the Substance Abuse and Mental Health Services Administration (SAMHSA) as it continues to implement the 2016 Comprehensive Addiction and Recovery Act.[201] The same proposal expands Health and Human Services (HHS) and Department of Justice (DOJ) drug overdose prevention strategies, including affordable rehabilitation, and widening access to the overdose-reversal drug, Nalaxone.[202]

Federal funding for community behavioral health organizations and other, non-punitive approaches to substance use is critical to address this deepening mental health and substance use crisis.



201 "A Progressive Path Forward: The People's Budget," Congressional Progressive Caucus (CPC), July 24, 2018, https://cpc-grijalva.house.gov/uploads/Binder21.pdf.
202 *Ibid.*



INDIGENOUS AND NATIVE HEALTH

Indigenous and Native Americans have a life expectancy that is five and a half years lower than the United States average. And yet, the United States spends just over one-third as much per capita on the Indian Health Service as other health care nationwide.[203] The inequality is not confined to funding: one quarter of Indigenous and Native Americans reported experiencing discrimination at a doctor's office or health clinic.[204]

While Indigenous and Native people would be covered by a universal, single-payer health care system, a life-saving intermediate measure would be fully funding the Indian Health Service. The National Congress of American Indians has called for an increase from its current funding of $5.6 billion in federal funds and $1.2 billion in reimbursements through Medicaid and other programs, for a total $36 billion budget.[205] There is an urgent need for these funds to be fairly distributed in close consultation with each and every tribe.

203 David Montgomery, "What Do Native Americans Want From a President?," Washington Post Magazine, May 13, 2019, https://www.washingtonpost.com/news/magazine/wp/2019/05/13/feature/what-do-native-americans-want-from-a-president/?utm_term=.1bbc8382a97f.
204 Eric Whitney, "Native Americans Feel Invisible In U.S. Health Care System," *NPR: Morning Edition*, December 12, 2017, https://www.npr.org/sections/health-shots/2017/12/12/569910574/native-americans-feel-invisible-in-u-s-health-care-system.
205 David Montgomery, "What Do Native Americans Want From a President?," *Washington Post Magazine*, May 13, 2019, https://www.washingtonpost.com/news/magazine/wp/2019/05/13/feature/what-do-native-americans-want-from-a-president/?utm_term=.1bbc8382a97f.

INVESTMENTS IN OUR FUTURE

INVESTMENTS IN OUR FUTURE

POOR PEOPLE'S CAMPAIGN DEMANDS

1. We demand equity in education, ensuring every child receives a high-quality, well-funded, diverse public education. We demand an end to the re-segregation of schools. We demand free tuition, textbooks, room and board at public colleges and universities, and an end to profiteering on student debt. We demand equitable funding for historically black colleges and universities, and for Native, Tribal, and Indigenous educational institutions whose missions have not outlived their purpose.

KEY FINDINGS

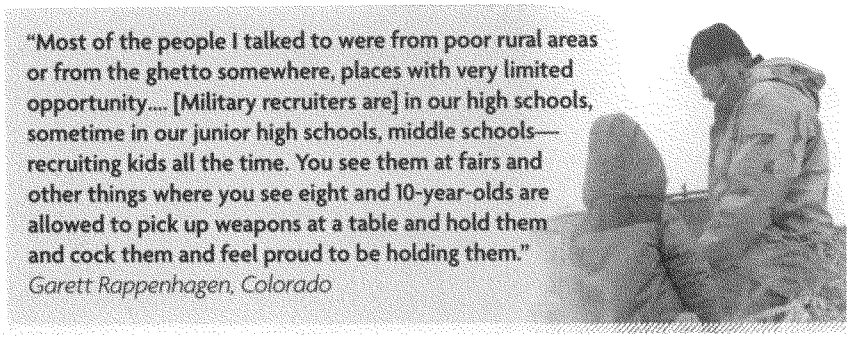
- An investment of $24.4 billion per year in K-12 schools and teachers could boost academic performance among poor and struggling children for about the same cost as a wall at the southern border.[206]
- Universal early learning and childcare support would require $100 billion per year. That's substantially less than the $130 billion per year that could be generated if we merely restored the corporate tax rate to the pre-2018 level of 35%.
- For every $1 invested in early childhood education, society would gain $7.30 due to reduced poverty, lower incarceration rates, and better health outcomes.
- The federal and state shares of providing free public college would cost about $70 billion per year. That's less than the revenue that could be generated through a tiny tax on transactions by wealthy, high-speed Wall Street traders.
- A study of public higher education in California found that for every $1 invested in public colleges and universities, the state gained $4.50 due to reduced poverty, arrests and incarcerations, and higher tax revenues.

Access to education and educational outcomes vary dramatically by geography, race, class, and other factors. The funding gap between the state with the highest per-pupil funding (New York) and the state with the lowest per-pupil funding (Idaho) was more than $12,400 in 2018. Only 11 states had school funding formulas that awarded more funding to districts with high poverty rates.[207]

Investments in education – from early learning and K-12 through higher education and vocational training – are the hallmark of a society committed to future generations and have been shown to result in dramatic economic benefits. A nation that invests in military recruitment in poor communities, detention centers for immigrants, and prisons for poor people, while allowing schools to deteriorate and perpetuating severe inequalities in public school funding has its priorities all wrong.

206 Andrew DePietro, "The Real Cost of the Border Wall As The Senate Votes to Kill Trump's National State of Emergency," Yahoo! Finance, March 14, 2019, https://finance.yahoo.com/news/real-cost-trump-border-wall-195830968.html.

207 Bruce D. Baker, Danielle Farrie, and David Sciarra, "Is School Funding Fair? A National Report Card," Education Law Center, February 2018, https://edlawcenter.org/assets/files/pdfs/publications/Is_School_Funding_Fair_7th_Editi.pdf.



HIGH QUALITY EDUCATION

Early Learning, Childcare and Head Start

Early childhood experiences have long been understood to have lasting impacts on youth and adult development, and the benefits of early childhood education and childcare have been recognized at a federal level since the 1930s, when an Emergency Nursery School program was established as part of the New Deal.

Head Start was one of the 1965 War on Poverty Programs initiated by President Johnson to eliminate poverty. A comprehensive child development program that includes education, health, nutrition, social services, and parental involvement, Head Start was one of several programs established by the Economic Opportunity Act of 1964 and began as a Community Action Program (CAP) under the Office of Economic Opportunity. A core principle of each program under CAP, including Head Start, was the "maximum feasible participation" of the poor in federal anti-poverty programs,[208] a feature that sets Head Start apart from restrictive programs like Temporary Assistance for Needy Families (TANF).

Since 1965, Head Start has served more than 36 million children from zero to five years of age and their families, in all 50 states, Washington D.C., and 6 territories. In 2018, it received nearly $9.5 billion to serve more than 1 million children and pregnant women. Of its recipients, 2% identified as American Indian/Alaskan Native, 30% as Black, 37% as Latinx, and 44% as White.

Head Start drew on earlier models of childhood education that were emerging from communities organizing to meet their children's needs. The precursor to Head Start in Mississippi was the Child Development Group of Mississippi (CDGM). CDGM was largely controlled by poor Black people who wanted to pass down the values and principles of the civil rights movement to their children. It was made up of 84 representatives from communities across Mississippi and, as did all early Head Start programs, received its funding directly from the federal government.[209]

Guided by the principle of maximum feasible participation, Head Start programs work closely with

208 Chris Caruso, "Turning the Tide of Neoliberalism: A Briefing Paper on the Defense of Head Start," May 17, 2006.
209 Caruso, p. 6.

families around health care, housing, jobs training and more. In 2018, 90% of its children were enrolled in Medicaid, Children's Health Insurance Program (CHIP), or another form of a state-funded child

health insurance program. Thirteen percent of its enrollment were children with disabilities. About 73,000 Head Start families received housing assistance in 2018 and 155,000 families received some kind of job training and adult education.[210] Children who graduate from Head Start are less likely to repeat a grade, need special education class, or be charged or convicted of a crime; and they are more likely to complete high school, go to college, and earn more than their peers who did not attend Head Start.[211]

Head Start works; however, it has sustained consistent attacks since its inception. In Mississippi, it was denounced as a "communist program," and White supremacist groups fired guns and burned crosses at several Head Start centers.[212] In 1994, the Bush administration attempted to "block grant" the program, giving its money to the states to administer rather than directly to the public agencies, non-profits, for-profit organizations, tribal governments, and schools that operated Head Start programs.[213] In spite of the maximum feasible participation principle, funding for Head Start does not even come close to meeting the need. According to the Children's Defense Fund, Early Head Start served just 5% of eligible infants and toddlers, and Head Start only reached 54% of eligible 3- and 4-year-olds in 2016.[214]

Early childhood education and quality childcare are long-term investments that pay off for both the families and children who directly benefit and for society as a whole.

Quality early learning programs can return $7.30 to the economy for each dollar invested. Government and society benefit as a result of increased income for parents, increased income for children when they grow to adulthood, higher academic achievement, lower incarceration rates, lower use of public assistance, and more.[215] Education is an incredibly worthy long-term investment for society as a whole.

One proposal for increased investment in childcare and early learning calls for a $1 trillion investment in early learning and childcare for all over 10 years.[216] While this includes funding for Head Start and early Head Start programs, it is critical that the principle of maximum feasible participation is ensured and that the program receives enough funding to meet the needs at hand, not merely to be fully funded but at inadequate levels.

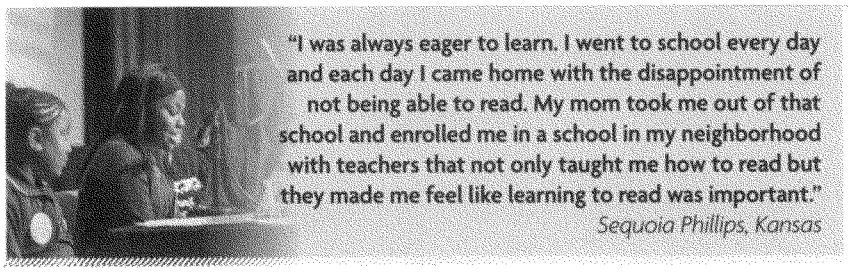
K-12 Education

Investment in education is supposed to be an equalizing force, giving children from poor backgrounds a chance to escape poverty. In reality, education can instead reinforce inequality.

210 "Head Start Program Facts: Fiscal Year 2018," U.S. Department of Health and Human Services.
211 Caruso, p. 4.
212 Caruso, p. 7.
213 Caruso, p. 9.
214 "Overview of the State of America's Children 2017," Children's Defense Fund, 2017, https://www.childrensdefense.org/wp-content/uploads/2017/12/state-of-americas-children-overview.pdf.
215 Jorge Luis Garcia et. Al., "Quantifying the Life-Cycle Benefits of a Prototypical Early Childhood Program," National Bureau of Economic Research, June 2017, https://www.nber.org/papers/w23479.pdf?sy=479.
216 "A Progressive Path Forward: The People's Budget," Congressional Progressive Caucus (CPC), July 24, 2018, https://cpc-grijalva.house.gov/uploads/Binder21.pdf.

In 2016, school districts that served predominantly White students received $23 billion more in funding than districts that served predominantly students of color, despite serving the same number of students, amounting to $2,200 less per student in districts that served mostly students of color.[217] Many attempts have been made to remedy this. In one, a 1994 court case in North Carolina, Leandro v. State, the court recognized these severe funding inequities and found that the state was responsible to ensure a "sound basic education" for all children.[218] In 2018, far from having reached compliance, the North Carolina State Board of Education sought to be released from the lawsuit. And so these funding inequities persist on a large scale.

Good schools rely on effective teachers, but compensation for teachers is suffering. In 2018, teachers earned 21% less than professionals in other fields with comparable levels of education and experience.[219] In 2018, work stoppages across the economy spiked higher than any year since 1986, driven by major teacher strikes in more than six states following the effects of years of state budget cuts and austerity.[220]



"I was always eager to learn. I went to school every day and each day I came home with the disappointment of not being able to read. My mom took me out of that school and enrolled me in a school in my neighborhood with teachers that not only taught me how to read but they made me feel like learning to read was important."

Sequoia Phillips, Kansas

More funding is the solution. One proposal would allocate an additional $1.1 trillion 10-year increase for educational programs such as Head Start and early education, Youth Summer Jobs, Pell Grants, Social Security Block Grants, the Individuals with Disabilities Education Act, Drop-out Prevention, the Early Learning Challenge Fund, and on-the-job training programs.[221] This includes a commitment to invest in teachers and schools ($244 billion over ten years) and support preschool for all ($82 billion over ten years).[222] Another proposal calls for $100 billion for public schools for badly needed physical and digital improvements.[223]

217 Sarah Mervosh, "How Much Wealthier Are White School Districts Than Non-White Ones? $23 Billion, Report Says," The New York Times. February 27, 2019, https://www.nytimes.com/2019/02/27/education/school-districts-funding-white-minorities.html.

218 "*Leandro v. State*: 488 S.E.2d 249 (N.C. 1997)," Duke Law, accessed May 21, 2019, https://law.duke.edu/childedlaw/schooldiscipline/attorneys/casesummaries/leandrovstate/.

219 Sylvia Allegretto and Lawrence Mishel, "The teacher weekly wage penalty hit 21.4% in 2018, a record high," Economic Policy Institute, April 24, 2019, https://www.epi.org/publication/the-teacher-weekly-wage-penalty-hit-21-4-percent-in-2018-a-record-high-trends-in-the-teacher-wage-and-compensation-penalties-through-2018/.

220 Andrew Van Dam, "Teacher strikes made 2018 the biggest year for worker protest in a generation," *The Washington Post*, February 14, 2019, https://www.washingtonpost.com/us-policy/2019/02/14/with-teachers-lead-more-workers-went-strike-than-any-year-since/.

221 "A Progressive Path Forward: The People's Budget," Congressional Progressive Caucus (CPC), July 24, 2018, https://cpc-grijalva.house.gov/uploads/Binder21.pdf.

222 Hunter Blair, "The People's Budget: Analysis of the Congressional Progressive Caucus budget for fiscal year 2019," Economic Policy Institute, July 24, 2018, https://cpc-grijalva.house.gov/uploads/CPC%20The%20People's%20Budget%202019%20final.pdf.

223 Congressional Black Caucus, "CBC Announces Introduction of Comprehensive, 1,300-Page Legislation to Increase Upward Social Mobility of Black Families, Help Ensure Equal Protection Under the Law," May 10, 2018, https://cbc.house.gov/news/documentsingle.aspx?DocumentID=891.

The potential benefits of an adequate level of investment in primary education are enormous. A National Bureau of Economic Advisors study on the effects of K-12 education found that the effects of bringing all students up to a basic level of achievement on standardized tests could grow the economy by $32 trillion over a long-term, 80-year timeframe.[224]

And yet, while more school funding is an absolute necessity, it is not enough. School segregation, far from being a thing of the past, is alive and well. More than half of students are in highly segregated districts that are more than 75% White or non-White.[225] School racial segregation is inextricably linked with segregation by poverty and economic status, and each type of segregation is associated with achievement gaps for Black and Latinx students compared with their White peers.[226]

School segregation is inextricably linked with housing and neighborhood segregation driven by systemic racism and poverty. Neighborhood segregation, driven by housing policies ranging from redlining to racist predatory lending, results in school segregation, since in most places children go to school based on where they live. To address the root causes of this segregation would require changes to our housing policies, banking policies, and more.

Higher Education and Free College

Studies have shown that attaining a 4-year college degree raises wages for individual workers, but also provides large economic payoffs for federal, state, and local governments, as well as surrounding communities. A study of California's higher education system found that for every dollar the state invests in higher education, it will receive a net return on investment of $4.50 over the course of students' lifetimes.[227]

Yet, a barrier to higher education for many people, especially poor people of color, is the rising cost. According to the National Center for Education Statistics, the price tag for attending a four-year college in 2015 (including tuition, room and board, and fees) was $25,409 — two and a half times as much as in 1968, adjusted for inflation.[228] These costs have outpaced real median household income, requiring students and their families to allocate more of their limited resources towards the rising

224 Eric A. Hanushek, Jens Ruhose, and Ludger Woessmann, "Economic Gains for U.S. States from Educational Reform," National Bureau of Economic Research, December 2015, https://www.nber.org/papers/w21770.pdf.

225 Sarah Mervosh, "How Much Wealthier Are White School Districts Than Non-White Ones? $23 Billion, Report Says," *The New York Times*, February 27, 2019, https://www.nytimes.com/2019/02/27/education/school-districts-funding-White-minorities.html.

226 Sarah D. Sparks, "Achievement Gaps and Racial Segregation: Research Finds an Insidious Cycle," Education Week, April 29, 2016, http://blogs.edweek.org/edweek/inside-school-research/2016/04/achievement_gaps_school_segregation_reardon.html.

227 Jon Stiles, Michael Hout, and Henry Brady, "California's Economic Payoff, Investing in College Access & Completion," Institute for the Study of Societal Issues, UC Berkeley, April 24, 2012, https://alumni.berkeley.edu/sites/default/files/Californias_Economic_Payoff_Executive_Summary.pdf.

228 "Table 330.10. Average undergraduate tuition and fees and room and board rates charged for full-time students in degree-granting postsecondary institutions, by level and control of institution: 1963-64 through 2014-15," National Center for Education Statistics, accessed May 21, 2019, https://nces.ed.gov/programs/digest/d15/tables/dt15_330.10.asp.

costs of education. According to a 2018 study from the Levy Institute, in 1990, average tuition and fees totaled 6.3% of median household income and 17.6% when including room and board. By 2014, average tuition and fees had more than doubled, totaling 15.9% of median household income; with room and board, costs rose to 34.7%.[229]

This is especially problematic for poor communities of color, who face a racial wealth gap, poorer public schools, and who also carry caregiving responsibilities for their families. Black people, women, and especially low-income women of color are disproportionately enrolled in for-profit institutions: among for-profit college students, 64% are women, 52% are people of color, 50% have dependent children, 51% work full-time while enrolled, and 59% are unlikely to receive tuition support from their family.[230]

Among undergraduates, 47% of Black women had children, compared with 41% of American Indian or Alaska Native women undergraduates, 39% of Native Hawaiian or Pacific Islanders, 32% of Hispanic or Latinx, and 29% of White women. The average debt of student mothers one year after graduation is $3,800 higher than women without children and almost $5,000 higher than men without children.[231]

Driven in part by the growth of high-cost, high-risk, for-profit colleges, student debt levels have exploded. As of the end of 2018, aggregate student loan debt was $1.46 trillion.[232]

"I'm a mother, grandmother, woman of faith, and a community activist. I am raising my four grandkids and supporting my oldest granddaughter who is a 2nd year college student. I receive no financial assistance for my grandkids because I'm their natural grandmother... Every month I worry, not knowing if I will be able to make my house payment. I struggle to pay my high utility bills and to keeping food on the table for my grandkids. There are millions of low-income families like mine, and it's not our fault...The educational system, the health care system, the transportation system, the housing system, the inability to make a decent wage to support my family — all of these work against poor and low-income people."

Wanda Bryant, Alabama

229 Scott Fullwiler et al., "Macroeconomic Effects of Student Debt Cancellation," Levy Economics Institute, February 2018, http://www.levyinstitute.org/pubs/rpr_2_6.pdf.

230 Saurav Sarkar and Shailly Gupta Barnes, eds., "The Souls of Poor Folk: Auditing America 50 Years After the Poor People's Campaign Challenged Racism, Poverty, the War Economy/Militarism and Our National Morality," Institute for Policy Studies (IPS), Poor People's Campaign, Kairos Center for Religions, Rights and Social Justice, and Repairers of the Breach, April 12, 2018, https://ips-dc.org/wp-content/uploads/2018/04/PPC-Audit-Full-410835a.pdf.

231 "4.8 Million College Students are Raising Children," Institute for Women's Policy Research, November 2014, https://www.luminafoundation.org/files/resources/college-students-raising-children.pdf

232 "Quarterly Report on Household Debt and Credit," Q4 2018, Federal Reserve Bank of New York, February 2019, https://www.newyorkfed.org/medialibrary/interactives/householdcredit/data/pdf/hhdc_2018q4.pdf.

The vast majority of these loans are made through and owed to the Department of Education; only 7.6% is through private lenders. A 2018 report from the Levy Economics Institute found that even student loan balances below the average cause hardship, especially for low-income borrowers who must decide between making payments on time and other financial demands.[233] The same report finds that the macroeconomic and social benefits to a one-time cancellation of all student debt would result in real GDP growth of between $861 and $1,083 billion over 10 years. This would require the government to forgive federal student debt, waive interest payments on federal loans, and purchase or repay private loans.[234]

One proposal for a targeted debt relief plan would forgive $50,000 of debt for all borrowers earning less than $100,000, with proportionally less debt relief for those earning up to $250,000.[235]

One-time debt cancellation does not address the more fundamental problem of universal access to higher education. The College for All Act of 2017 would have the federal government pay 67% of the cost of eliminating undergraduate tuition and fees at public colleges and universities, with states responsible for the remaining 33%. Total tuition and fees for public colleges, excluding room and board, is about $70 billion per year, making the federal share $47 billion per year.[236]

"I entered the Air Force at 22 years old after going to a local community college... the military was a last resort as a means to provide direction and a way to fund the rest of my education..."

Michael Martin, Arkansas

Another proposal for a system with affordable college and the option for students to refinance loans would cost $449 billion over 10 years given inflation (or about $45 billion per year on average).[237]

233 Scott Fullwiler et al., "Macroeconomic Effects of Student Debt Cancellation," Levy Economics Institute, February 2018, http://www.levyinstitute.org/pubs/rpr_2_6.pdf.

234 *Ibid*. The fiscal mechanics of student loan forgiveness described in the Levy report require the federal government to issue new securities to replace those made to fund public student loans. Student debt cancellation would create new federal liabilities relative only to the interest that was due on the original securities. For the small percentage of private student debt, the federal government would issue entirely new securities to fund their purchase from private lenders. This could moderately raise the national deficit-to-GDP ratio and increase federal interest rates. However, the macroeconomic gains over time from the rise in household income and wealth would outweigh the losses.

235 Elizabeth Warren, "I'm calling for something truly transformational: Universal free public college and cancellation of student loan debt," *Medium*, April 22, 2019, https://medium.com/@teamwarren/im-calling-for-something-truly-transformational-universal-free-public-college-and-cancellation-of-a246cd0f910f.

236 "Summary of Sen. Sanders' College for All Act," Sen. Bernie Sanders: Newsroom, accessed May 21, 2019, https://www.sanders.senate.gov/download/collegeforallsummary/?inline=file.

237 "A Progressive Path Forward: The People's Budget," Congressional Progressive Caucus (CPC), July 24, 2018, https://cpc-grijalva.house.gov/uploads/Binder21.pdf.

This is not all new spending, since all current financial aid to students of public four-year colleges could stop. Using figures from the National Center for Education Statistics,[238] currently available sources of federal financial aid are about $60 billion per year.

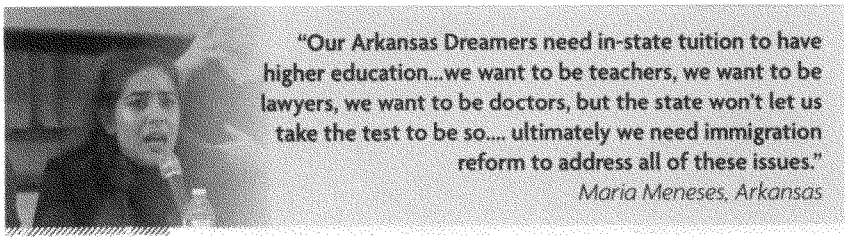
Improvements in four-year college funding must be accompanied by funding and greater accessibility for community college, vocational training, and apprenticeships. Community colleges are far more likely to serve students from poor and low-income backgrounds than four-year colleges, and yet they receive fewer resources. Private colleges spend five times as much per student each year as community colleges, and public research universities spend almost three times as much. However, additional investments in community college are arguably more effective, as they have been found to result in higher graduation rates than similar investments in four-year colleges.[239]

For low-income students, funds that can cover costs for textbooks and other living costs, and novel approaches like open, no-cost educational resources, can make a tremendous difference as well.

INCLUSION FOR ALL: UNDOCUMENTED YOUTH, HBCUS AND TRIBAL SCHOOLS

The issues facing undocumented immigrant youth and the education deficits arising out of the legacy of systemic racism deserve targeted investments. The Supreme Court has found that undocumented children deserve the same education as documented citizens, but undocumented immigrant children face obstacles to a full education, including bullying and the fear of deportation for themselves or their family members.[240]

College students who are undocumented may face difficulty securing adequate housing, fewer internship or job opportunities, difficulty attaining a driver's license, and higher rates of anxiety and depression than the general population. Undocumented students who receive DACA (Deferred Action for Childhood Arrivals) find many of these stressors eased.[241]



238 "Digest of Education Statistics," National Center for Education Statistics, 2017, Tables 331.50 and 331.70, https://nces.ed.gov/programs/digest/d17/tables/dt17_331.50.asp. Total federal funding calculation by author based on average federal aid and percentage of students receiving aid.
239 Richard D. Kahlenberg et al., "Policy Strategies for Pursuing Adequate Funding of Community Colleges," The Century Foundation, October 25, 2018, https://tcf.org/content/report/policy-strategies-pursuing-adequate-funding-community-colleges/.
240 "Undocumented Students," National Association of Secondary School Principals, accessed May 21, 2019, https://www.nassp.org/policy-advocacy-center/nassp-position-statements/undocumented-students/.
241 Kaitlin Mulhere, "Undocumented and Stressed," *Inside Higher Ed*, January 26, 2015, https://www.insidehighered.com/news/2015/01/26/study-finds-undocumented-colleges-students-face-unique-challenges.

Declining public investment has also left tribal schools and Historically Black Colleges and Universities particularly underfunded and in disrepair. Established to address longstanding inequities, they require adequate funding for construction, maintenance, connectivity, materials, and teacher and administrative support to fulfill that purpose.

In 2014, more than one third of schools supported by the Bureau of Indian Education were in serious disrepair. Sixty-eight of the highest risk tribal colleges required $1.3 billion to address leaking roofs and walls, asbestos, mold, and transportation needs.[242] A 2017 report from the Center for Budget and Policy Priorities found that funding for Tribal Schools has fallen 67% from 2001, from over $400 million to just $133 million.[243] There is an urgent need for significantly more funding for tribal education at every level, and tribes need more authority to shape curriculum and other facets of education.

Historically Black Colleges and Universities also have large funding needs that must be met if they are to continue their demonstrated success in serving underrepresented and lower-income students. HBCUs constitute just 3% of the nation's institutions of higher learning, but graduate nearly 20% of Black students from college. More than 50% of Black professionals and public school teachers hail from HBCUs.[244] HBCUs graduate more than 50,000 students annually.[245] According to a University of Georgia analysis, HBCUs yield nearly $15 billion in annual economic impact for our nation.[246]

While 35%[247] of all college students come from families that qualify for the federal Pell Grant, more than 80% of HBCU students are Pell Grant eligible.[248] As described by the Thurgood Marshall College Fund, HBCUs disproportionately enroll low-income, first-generation, and academically underprepared college students – precisely the students that the country most needs to obtain college degrees.[249] Yet the administration's fiscal year 2019 federal budget request proposed reductions to Pell, work-study programs, and bridge programs like TRIO and GEAR UP. It called for eliminating the Supplemental Educational Opportunity Grants, which would negatively impact more

242 Susan Brenna, "Why are Native Students Being Left Behind," Teach for America, December 11, 2014, https://www.teachforamerica.org/stories/why-are-native-students-being-left-behind.
243 "Maintenance of Federally Funded Tribal Schools," Center on Budget and Policy Priorities, May 19, 2017, https://www.cbpp.org/sites/default/files/atoms/files/5-19-17bud_tribalschools.pdf.
244 Mike Scutari, "Mega-Donors Rarely Support Historically Black Colleges. Will This Gift Change That?" *Inside Philanthropy*, December 18, 2018, https://www.insidephilanthropy.com/home/2018/12/18/mega-donors-rarely-support-historically-black-colleges-will-this-gift-help-change-that.
245 "Breaking Down White House Budget Proposal's HBCU Impact," Thurgood Marshall College Fund, accessed May 21, 2019, https://www.tmcf.org/tmcf-in-the-news/breaking-down-White-house-budget-proposals-hbcu-impact/13649.
246 "HBCUs Make America Strong: The Positive Economic Impact of Historically Black Colleges and Universities," United Negro College Fund and University of Georgia Terry College of Business & Selig Center for Economic Growth, https://www.uncf.org/wp-content/uploads/HBCU_Consumer_Brochure_FINAL_APPROVED.pdf
247 Undergraduate Enrollment and Percentage Receiving Pell Grants over Time," College Board, https://trends.collegeboard.org/student-aid/figures-tables/undergraduate-enrollment-and-percentage-receiving-pell-grants-over-time.
248 "White House Budget Proposal's HBCU Impact," Thurgood Marshall College Fund.
249 "Historically Black Colleges & Universities (HBCUs)," Thurgood Marshall College Fund, accessed May 21, 2019, https://www.tmcf.org/about-us/our-schools/hbcus.

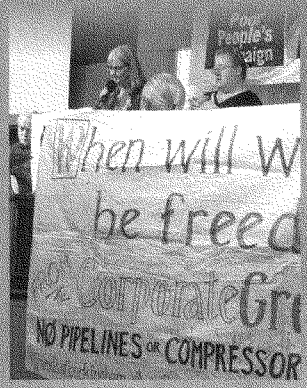
than 55,000 HBCU students.[250] Given the profile of HBCU students and their successes during and after college, the only question to consider about federal funding should be one of increase.

While HBCUs have benefited from significant donations from high-wealth individuals, HBCUs have not had sustainable support from government educational resources. For example, these institutions receive a disproportionately small fraction of the total of research and development funding awarded to all U.S. colleges and universities. And that funding is concentrated among a few institutions: in 2005, the top 10 HBCUs received approximately 52.7% of federal research and development support for all HBCUs, and the top 20 HBCUs accounted for approximately 72% of total research and development support for all HBCUs.[251] Meanwhile, funding for public HCBUs rises and falls according to the state's fiscal health. Reduced funding from private corporations and public resources leaves HBCUs with smaller endowments, resulting in diminished capacity to meet student need, cover operating costs, and conduct additional fundraising.

Tribal schools and HBCUs alike have demonstrated success in supporting students from underprivileged backgrounds. If the nation wishes for all young people to thrive, then there must be sufficient funding for institutions that educate those who are least likely to complete secondary education degrees.

250 Aria Bendix, "How Will Historically Black Colleges Fare Under Trump?" *The Atlantic*, March 24, 2017, https://www.theatlantic.com/education/archive/2017/03/how-will-historically-black-colleges-fare-under-trump/520785/.
251 Marybeth Gasman, "Comprehensive Funding Approaches for Historically Black Colleges and Universities," University of Pennsylvania, 2010, https://repository.upenn.edu/cgi/viewcontent.cgi?article=1400&context=gse_pubs.

INVESTMENTS IN THE PLANET

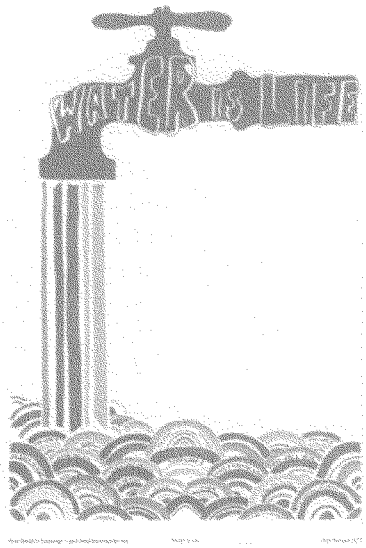


INVESTMENTS IN THE PLANET

POOR PEOPLE'S CAMPAIGN DEMANDS

1. We demand a fully funded public water and sanitation infrastructure that keeps these utilities and services under public control and prioritizes poor, rural and Native communities that have been harmed by polluting and extractive industries. This infrastructure must provide consistent, safe, reliable, and affordable access to water and sanitations services such as refuse collection, containment, and sewage systems, so as to prevent any leaks or leaching of lead or other toxins. This includes ending water shut offs.

2. We demand 100% clean, renewable energy, and a public jobs program to transition to a green economy that will put millions of people in sustainable living wage jobs.



KEY FINDINGS

- Climate change is a cause of massive human suffering: forced migration, food insecurity, and higher rates of infection. In 2010, 400,000 deaths worldwide could already be attributed to climate change. By 2030, that number is projected to reach 700,000.

- Inaction on climate change could cost up to 15.7% of GDP per year.[252] That's the equivalent of wiping out $3.3 trillion from the U.S. economy — the rough equivalent of five Great Recessions, the worst economic crisis since the Great Depression.[253]

- Addressing climate change with a $200 billion per year investment in a clean energy transition would reduce the damage to GDP while creating 2.7 million net new jobs.

- Investing $37.2 billion a year in water infrastructure would create up to 945,000 jobs while providing safe drinking water to thousands of communities that don't have it. That's less than what the Pentagon awarded to just one corporation — Lockheed Martin — for military contracts in 2018.[254]

The original 1968 Poor People's Campaign's focus on racism, militarism, and poverty did not include any explicit links to environmental degradation and climate change, and yet those links have become clearer over time. The U.S. economy is built on profits for industries that poison our air and water and are rapidly making our planet uninhabitable. Access to a habitable planet, clean air and water, and sanitation are basic human rights that are now under constant threat, especially for poor people and people of color.

Climate change and ecological disaster are multipliers of underlying injustices due to poverty, systemic racism, and war. Worldwide, refugee flows are increasing due to ecological devastation and the early effects of climate change. Here in the United States, the tragic effects of Hurricanes Maria, Harvey, Irma, and of wildfires and floods reflect the new reality of a changing climate. Deregulation and political power struggles also result in a crisis of water affordability, pollution, and resource scarcity for poor people.

Fossil fuel, chemical industries, and others were responsible for 9 million premature deaths worldwide in 2015 caused by poisoned air, water, and land.[255] A 2012 analysis found that in 2010, 400,000 deaths worldwide could be attributed to climate change due to higher rates of infections, hunger, and environmental disasters. By 2030, that number would reach nearly 700,000.[256]

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252 Solomon Hsiang et al., "Estimating Economic Damage from Climate Change in the United States," Science 356, no. 6345, (2017): 1362-1369, https://doi.org/10.1126/science.aal4369.

253 Calculation by authors based on GDP figures from the Bureau of Economic Analysis.

254 "Top 100 Defense Contractors 2018: U.S. Department of Defense Fiscal Year 2018," Forecast International, http://www.fi-aeroweb.com/Top-100-Defense-Contractors.html.

255 "The Lancet Commission on Pollution and Health," The Lancet, October 9, 2017, https://www.thelancet.com/commissions/pollution-and-health.

256 DARA and the Climate Vulnerable Forum. *Climate Vulnerability Monitor: A Guide to the Cold Calculus of a Hot Planet*, 2nd Edition (Madrid: Fundación DARA Internacional, 2012), https://daraint.org/wp-content/uploads/2012/10/CVM2-Low.pdf.

"I can walk down the street where I grew up and I can show you who's died of cancer and tell you about the week that everybody on one street had strokes and heart attacks. I can tell you about the anger I felt when I heard my neighbor, 14 years old, Sheryl, had cancer of the reproductive organs. I still remember the anger I felt when an 18-year-old up the street had prostate cancer. I've had to comfort my friends through miscarriages and birth defects. The last person I dated confided in me that he had prostate cancer and he'll never be able to have children."

Marquita Bradshaw, Tennessee

The problems of pollution and access to clean air and water reach across race and location, affecting everyone, but poor people and people of color are hit especially hard. In the U.S., urban populations struggle with high water bills and polluted water. Rural populations struggle with access to piped water and sewage systems. More than one million people lack access to complete plumbing facilities, and in some communities, water shut-off rates are 20% or higher. Of the 20 counties with the highest percentage of households lacking access to complete plumbing, all were rural, and 13 had a majority Native American or Alaskan Native population.[257]

Even while water and sanitation infrastructure is lacking for hundreds of thousands of households, there is a growing pipeline infrastructure for oil and fracking. These misplaced political priorities are contributing factors to the crisis of climate change and its disproportionate impact on poor communities and communities of color in this country and around the world. In Union Hill, North Carolina, this dynamic is pitting the profit motives of Virginia's largest utility, which wants to site a natural gas pipeline pumping station in Union Hill, against the health and safety interests of a historically Black community that has objected to communities of color being targeted for similar projects time and time again.[258]

"Here's something that many people really don't know. These big utilities don't really make money by selling electricity or gas...but because their rates are heavily regulated and they learned how to game the system for so long, the way they make money is by building new capacity and adding the cost into their rate base and getting a big percentage of profit on top of that....this is basically a variety of cost-plus contracts. And if the pipeline is not needed, they have a powerful economic profit incentive to build it anyway, so they can rip off the ratepayers..."

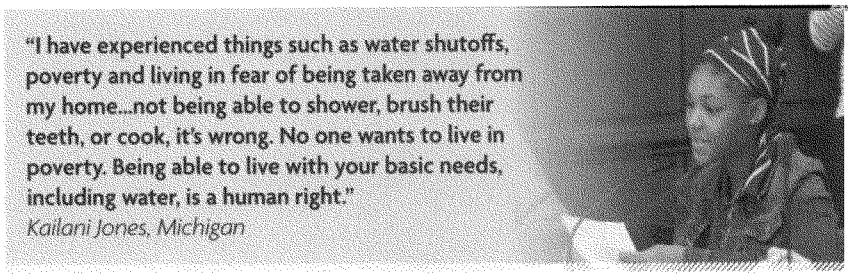
Vice President Al Gore, Tennessee

257 Stephen P. Gasteyer et al., "Basics Inequality: Race and Access to Complete Plumbing Facilities in the United States," *Du Bois Review*, 13:2 (2016): 305– 325, https://www.cambridge.org/core/services/aop-cambridge-core/content/view/1F3C7B5E413CBD73BE480E66FABDDD7C/S1742058X16000242a.pdf/basics_inequality.pdf.

258 Erik Ortiz, "How Money Stokes Divide of Historic Black Community in Virginia Pipeline Battle." *NBCNews*. December 7, 2018, https://www.nbcnews.com/news/us-news/how-money-stokes-divide-historic-black-community-virginia-pipeline-battle-n943236.

ACCESS TO CLEAN WATER AND SANITATION

In the wealthiest nation on earth, access to clean water and sanitation should be a given. And yet, for many Americans, water and sanitation remain unaffordable, inaccessible, unsafe, or all of these.



Safe and affordable water and sanitation would have societal benefits beyond the benefits directly to poor people, including job creation. Food and Water Watch estimates that governmental investment of $37.2 billion a year in water infrastructure (which is slightly lower than the $38 billion we recommend – see below) would create between 700,000 to 945,000 jobs across the economy.[259]

Other benefits are the boost to GDP from infrastructure spending, increased demand for goods and services in the supply chain for water infrastructure, and increased demand for consumer goods and services from those increased jobs. A 2016 study recommends using a multiplier of 2.95 to calculate economy-wide benefits from investing in water infrastructure.[260] Applying this multiplier to our proposed infrastructure investment of $38 billion, we estimate a GDP boost of $112 billion a year. Meanwhile, hospitalization costs for the most common waterborne diseases in the U.S. are of the order of $539 million annually, a sum that could be reduced with improved water infrastructure.[261]

Additional benefits of investment in water infrastructure that are harder to quantify as a dollar amount include indirect benefits of the resulting reduction in utility bills, such as reduction in homelessness, better school attendance and educational outcomes, and improved worker productivity.[262]

According to the Environmental Protection Agency (EPA), the U.S. needs a drinking water safety investment of $472.6 billion over 20 years for water supply infrastructure, including pipes, drinking

259 "Water. Jobs. Justice. The Case for the Water Affordability, Transparency, Equity, and Reliability Act," Food & Water Watch, February 2019, https://www.foodandwaterwatch.org/sites/default/files/fs_1902_waterjobsjustice-wateractupd2-web.pdf.

260 "The Economic, Job Creation, and Federal Tax Revenue Benefits of Increased Funding for the State Revolving Fund Programs," Water Environment Federation and WateReuse, April 2016, https://www.wef.org/globalassets/assets-wef/5---advocacy/wef-wra-srf-economic-impact-study-report-april-29-2016.pdf.

261 "Waterborne Diseases Could Cost over $500 Million Annually in U.S.," Centers for Disease Control and Prevention (CDC), July 14, 2010, https://www.cdc.gov/media/pressrel/2010/r100714.htm.

262 Roger Colton, "Water Bill Affordability for the City of Philadelphia: Presented to Philadelphia City Council," April 9, 2015, http://povertylaw.org/files/docs/Colton%20City%20Council%20comments--April%208%202015--Final.pdf.

water storage tanks, purification facilities, and other infrastructure. The total includes $3.8 billion for Indigenous and Native water systems.[263]

"We are depleting our Ogallala aquifer here in Kansas. In western Kansas...some towns are already trucking in water and farmers are reducing their acres. They know that their farming days are numbered. Their communities will dry up and whither as goes the water supply. The land they farm will not be farmed by their grandchildren's children. They know this is coming. And yet we still continue to pollute our fresh water and turn our wetlands into cities... We continue to drill, pump and inject poisons into our ground until we cause earthquakes!

And this has been going on for decades. In 1917, Treece, Kansas, in Cherokee County was a busy thriving mining town in Southeast Kansas where lead, zinc and iron ore were extracted and big mountains of tailings were left everywhere. By the 70's the mining was done, the groundwater polluted and hazardous. In 2009 the U.S. government decided to relocate the residents of Treece that were left rather than to rehabilitate the land. It remains a ghost town today, because of the water."

Mary Jane Shanklin, Kansas

For sanitation, a 2016 EPA study estimated a need for $271 billion over 20 years[264] for wastewater and storm water infrastructure, which includes installing, maintaining, upgrading, or replacing sewage pipes, sewage treatment facilities and storm water infrastructure, as well as sewer overflow control measures.[265]

In today's dollars, this amounts to a current cost of $284.9 billion.[266] This survey excludes wastewater

263 In 2015 dollars. "Drinking Water Infrastructure Needs Survey and Assessment: Sixth Report to Congress," U.S. Environmental Protection Agency (EPA), Office of Water, Report EPA 816-K-17-002, March 2018, https://www.epa.gov/sites/production/files/2018-10/documents/corrected_sixth_drinking_water_infrastructure_needs_survey_and_assessment.pdf

264 "Clean Watersheds Needs Survey 2012: Report to Congress," U.S. Environmental Protection Agency (EPA), Office of Water, Report EPA-830-R-15005, January 2016, https://www.epa.gov/sites/production/files/2015-12/documents/cwns_2012_report_to_congress-508-opt.pdf.

265 Almost 860 legacy wastewater and storm water systems combine discharges from domestic sewage, industrial effluent, and runoff from precipitation into a single stream. When excess precipitation occurs, the volume of combined wastewater and storm water can overwhelm a system, causing untreated or partially treated sewage to be discharged into rivers and lakes. These incidents are called combined sewer overflows (CSOs). "Combined Sewer Overflows (CSOs)," U.S. Environmental Protection Agency (EPA), accessed May 21, 2019, https://www.epa.gov/npdes/combined-sewer-overflows-csos.

266 Using price index obtained from: "Producer Price Index by Commodity for Final Demand: Total Government Purchased Capital Investment (Goods, Services, and Construction) [WPSFD49404]," FRED, Federal Reserve Bank of St. Louis, December 10, 2018, https://fred.stlouisfed.org/series/WPSFD49404.

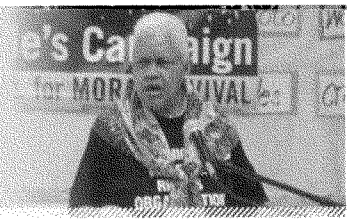
and storm water infrastructure needs on Indigenous and Native lands, so the true cost would be higher.[267]

Combining these numbers – the drinking water investment of $472.6 billion over 20 years, and the inflation-adjusted wastewater and storm water investment of $284.9 billion over 20 years – the total needed capital investment is $757.5 billion over 20 years, which comes to about $38 billion a year.

These infrastructure improvements, while badly needed, will not solve the problem of affordability. In part because federal assistance to local water systems is down 74% from its peak in 1977, local water systems are being privatized across the country.[268] These schemes often impose regressive water billing practices on communities, leaving low-income households to shoulder higher payments as a percentage of their income.

According to the EPA, affordable water and sanitation should not take up more than 4.5% of a household's income. For a family of four with a low income of $27,000, that would mean a monthly water and sewer bill of $101.25 at most. And yet a 2014 study assumed an average monthly water bill of $120 for American households with typical water consumption.[269] According to one study, the share of U.S. households with unaffordable water bills could triple by 2022, from 11.9% to 35.6%.[270]

"It's scandalous to support the notion that if you can't pay for water, you can't have it."
Maureen Taylor, Michigan



This has prompted several cities to consider water affordability plans that account for users' ability to pay. In 2005, the Michigan Poverty Law Program, working with the Michigan Welfare Rights Organization and the People's Water Board Coalition, developed a Water Affordability Plan for the Detroit Water and Sewerage Department (DWSD). It established a formula for monthly rates as a percentage of gross annual income and contributions from unbilled residential water customers to address the crisis of rising water and sewer bills. The plan eliminated mass water shut offs, made provisions for arrears or past due payments, and integrated water conservation techniques.[271]

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267 Institute for Policy Studies. The numbers cited are solely for capital costs such as engineering and design, procurement of construction materials and equipment, construction labor, and inspection. They exclude operation and maintenance costs.

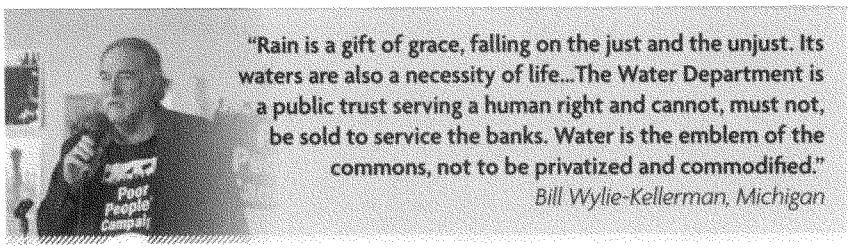
268 Saurav Sarkar and Shailly Gupta Barnes, eds., "The Souls of Poor Folk: Auditing America 50 Years After the Poor People's Campaign Challenged Racism, Poverty, the War Economy/Militarism and Our National Morality," Institute for Policy Studies (IPS), Poor People's Campaign, Kairos Center for Religions, Rights and Social Justice, and Repairers of the Breach, April 12, 2018, https://ips-dc.org/wp-content/uploads/2018/04/PPC-Audit-Full-410835a.pdf

269 Elizabeth A. Mack and Sarah Wrase, "A Burgeoning Crisis? A Nationwide Assessment of the Geography of Water Affordability in the United States," *PLOS One*, 12(4): e0176645, January 2017, https://journals.plos.org/plosone/article?id=10.1371/journal.pone.0169488.

270 Elizabeth A. Mack and Sarah Wrase, "A Burgeoning Crisis? A Nationwide Assessment of the Geography of Water Affordability in the United States," *PLOS One*, 12(4): e0176645, January 2017, https://journals.plos.org/plosone/article?id=10.1371/journal.pone.0169488.

271 Roger Colton, "A Water Affordability Program for the Detroit Water and Sewerage Department," January 2005, https://drive.google.com/file/d/0BxDX326T9LRxSGRHQUdTamlUekk/view.

While versions of this plan have been adopted in Baltimore and Philadelphia, the plan was not implemented in Detroit; since 2014, at least 100,000 households in Detroit have had their water shut off. The EPA has, in fact, documented 228 water affordability programs across the country; however, none of those programs fully meet community needs.[272]



"Rain is a gift of grace, falling on the just and the unjust. Its waters are also a necessity of life...The Water Department is a public trust serving a human right and cannot, must not, be sold to service the banks. Water is the emblem of the commons, not to be privatized and commodified."

Bill Wylie-Kellerman, Michigan

A 2019 report from the Haas Institute offered updates to the 2005 Detroit Water Affordability Plan, calling for a moratorium on water shut offs, a comprehensive affordability plan, basic consumer protections, legislative reforms, and green infrastructure initiatives.[273]

A proposed WATER Act draws on the 2005 plan for the DWSD and would institute comprehensive federal water safety measures to rebuild infrastructure, address water contamination and implement affordability measures. Investments would total $35 billion a year and would create 1 million jobs.[274]

ADDRESSING CLIMATE CHANGE THROUGH CLEAN ENERGY

Reasons to address climate change are not limited to mitigating its terrible consequences. The solutions to climate change require vast international mobilization and investment, and that translates to jobs, reduced poverty, better infrastructure, increased international cooperation, and reduced violence and international conflict.

A study of feasible pathways to reduce U.S. greenhouse gas emissions 80% below 1990 levels by 2050[275] finds that overall energy use in the U.S. must decrease by between 18 to 22% below 2014 levels by 2050. A recent IPCC report shows that the previously suggested 2°C target for maximum warming is insufficient, and we should set a 1.5°C target instead.[276]

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272 "Water Equity and Security in Detroit's Water and Sewer District," Haas Institute, January 2019, 22, https://haasinstitute.berkeley.edu/sites/default/files/detroit_water_equity_full_report_jan_11_2019.pdf. This report also documents the health costs and social impact of water shut offs.

273 *Ibid.*

274 "Water. Jobs. Justice. The Case for the Water Affordability, Transparency, Equity, and Reliability Act," Food & Water Watch, February 2019, https://www.foodandwaterwatch.org/sites/default/files/fs_1902_waterjobsjustice-wateractupd2-web.pdf.

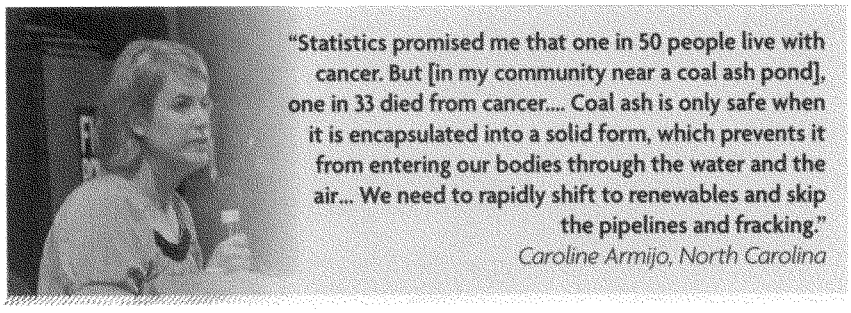
275 These are the reductions that this study recommends the U.S. must make to keep global average temperature increases to within 2 degrees Celsius (2°C) above pre-industrial levels.
James H. Williams et al., "Pathways to Deep Decarbonization in the United States," Deep Decarbonization Pathways Project (DDPP), U.S. 2050 Vol. 1, November 2015, http://deepdecarbonization.org/wp-content/uploads/2015/11/US_Deep_Decarbonization_Technical_Report.pdf.

276 "Global Warming of 1.5°C: Summary for Policymakers," Intergovernmental Panel on Climate Change (IPCC), October 2018, http://report.ipcc.ch/sr15/pdf/sr15_spm_final.pdf

A Model for Federal Action on Renewable Energy

The Intergovernmental Panel on Climate Change (IPCC) has determined that meeting a 1.5°C temperature increase threshold requires reducing emissions from human activities to 45% below 2010 levels by 2030, and zero emissions by 2050.[277]

Reducing our greenhouse gas emissions to meet this target will require fundamental changes in electricity generation, transportation, industry, agriculture, and more. This section particularly addresses the electricity generation sector.



According to a 2014 report, an annual average of $50 billion in gross public investment in clean energy and energy efficiency, supplemented with $150 billion in private investment for an annual total of $200 billion, will reduce U.S. emissions of carbon dioxide to 3,051 million metric tons by 2030.[278] This represents a 46.5% reduction from 2010 emissions of 5,701 metric tons,[279] clearly meeting the IPCC requirement of at least a 45% reduction.

Meeting the ultimate goal for mitigating climate change will require long term public investment to get to 100% renewables (and zero emissions) from the electricity sector by 2050. However, there are good reasons to be optimistic that meeting the intermediate target of 45% emissions reduction by 2030 would facilitate meeting the final target of 100% renewables (and zero emissions from the electricity sector) by 2050.

Major obstacles to the transition from fossil fuels have been successfully addressed in recent years. Renewables have essentially achieved cost parity with fossil fuels.[280] Further research and development

277 *Ibid.* Carbon dioxide is only one of several greenhouse gases, and the IPCC has identified pathways to reduce emissions of other greenhouse gases as well.

278 Robert Pollin et al., "Green Growth: A U.S. Program for Controlling Climate Change and Expanding Job Opportunities," Political Economy Research Institute (PERI), University of Massachusetts Amherst, and Center for American Progress, September 2014, https://www.americanprogress.org/issues/green/reports/2014/09/18/96404/green-growth/.

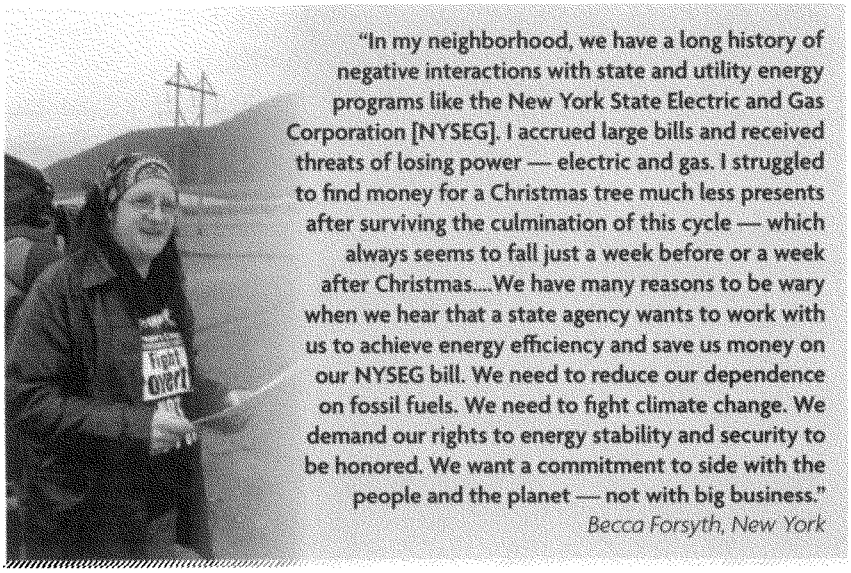
279 "Greenhouse Gas Inventory Data Explorer," U.S. Environmental Protection Agency (EPA), https://www3.epa.gov/climatechange/ghgemissions/inventoryexplorer/#allsectors/allgas/gas/all

280 "Levelized Cost and Levelized Avoided Cost of New Generation Resources in the Annual Energy Outlook 2018," U.S. Energy Information Administration (EIA), Table 1b, p. 6, March 2018, https://www.eia.gov/outlooks/aeo/pdf/electricity_generation.pdf.

in renewable energy will drive the costs of renewables down further. Meanwhile, costs of energy storage, one of the biggest remaining technical challenges to more widespread renewable energy implementation, are projected to decrease rapidly.[281]

The four classes of policy interventions considered are:[282]

- Market-shaping rules, such as vehicle fuel efficiency standards, which require private investment for compliance, but do not entail public spending;
- Direct public spending, for example, in energy efficiency projects for public buildings or research and development;
- Tax credits to incentivize private investment in renewables and energy efficiency; and
- Transitional support for fossil fuel-dependent communities and workers.



"In my neighborhood, we have a long history of negative interactions with state and utility energy programs like the New York State Electric and Gas Corporation [NYSEG]. I accrued large bills and received threats of losing power — electric and gas. I struggled to find money for a Christmas tree much less presents after surviving the culmination of this cycle — which always seems to fall just a week before or a week after Christmas....We have many reasons to be wary when we hear that a state agency wants to work with us to achieve energy efficiency and save us money on our NYSEG bill. We need to reduce our dependence on fossil fuels. We need to fight climate change. We demand our rights to energy stability and security to be honored. We want a commitment to side with the people and the planet — not with big business."

Becca Forsyth, New York

We know that any major new investments in a pathway to 100% clean energy will lead to economic benefits for society as a whole and resulting benefits to public finances. These include reduction in deaths, illnesses, and injuries attributable to extreme heat, wildfires, and violent storms; reduction in associated health care costs, disaster relief spending, and days of work lost; reduction in infrastructure damage from sea level rise, wildfires, and storms; and reduction in agricultural losses from droughts, among others.

281 "Electricity Storage and Renewables: Costs and Markets to 2030," International Renewable Energy Agency (IRENA), October 2017, http://www.irena.org/-/media/Files/IRENA/Agency/Publication/2017/Oct/IRENA_Electricity_Storage_Costs_2017.pdf.
282 *Ibid.*

A 2017 study estimates the impact of temperature increase on the U.S. economy in terms of share of GDP lost, and finds that the likely range of losses varies with the level of global average temperature increase as shown in Table 1 below.[283]

TABLE 4: ESTIMATED RANGES OF AGGREGATE ANNUAL NATIONWIDE ECONOMIC LOSSES FOR U.S. AS SHARE OF GDP FOR DIFFERENT WARMING SCENARIOS.[284]

(Economic Losses Reported as % of GDP per Year)

Temperature Increase (°C)	Low-End Estimate of Economic Loss	High-End Estimate of Economic Loss
1.5°C	+0.1%	-1.7%
4°C	-1.5%	-5.6%
8°C	-6.4%	-15.7%

To underscore the potential damage from doing nothing, losses in economic activity could rise to as much as 15.7% of GDP per year if the planet warms by 8°C. In comparison, the recession of 2008 and 2009, the worst economic crisis since the Great Depression, led to only a 2.3% decline in GDP.[285] With reference to the current U.S. GDP of $20.87 trillion,[286] it is equivalent to wiping out $3.3 trillion from the U.S. economy.

If warming could be limited to 1.5°C, using the low end of economic damage from any given temperature increase scenario, and assuming a worst-case temperature increase of 4°C (as against a catastrophic 8°C), the savings from implementing effective climate change policies could be 1.6% of GDP. (This is the difference between a +0.1% gain at 1.5 °C warming and a -1.5% loss at 4°C warming.) By comparison, the level of expenditure suggested by the UMass proposal discussed previously – $200 billion, with a 25 to 75% split between the public and the private sector – represents only 1.2% of GDP, and the public expenditure component is only 0.3% of GDP.[287] This suggests that successfully addressing climate change would save money, overall, in the long run.[288]

283 Solomon Hsiang et al., "Estimating economic damage from climate change in the United States," *Science*, Vol. 356, Issue 6345, pp. 1362-1369, June 30, 2017, http://science.sciencemag.org/content/356/6345/1362.

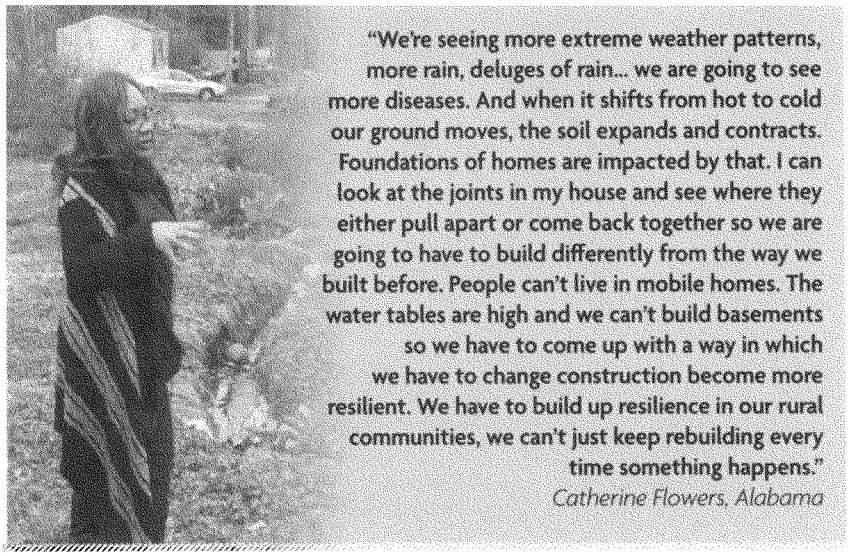
284 *Ibid.*

285 John Carney, "America Lost $10.2 Trillion In 2008," *Business Insider*, February 3, 2009, https://www.businessinsider.com/2009/2/america-lost-102-trillion-of-wealth-in-2008.

286 "Gross Domestic Product, Fourth Quarter and Annual 2018 (Third Estimate); Corporate Profits, Fourth Quarter and Annual 2018," U.S. Bureau of Economic Analysis, March 28, 2019, https://www.bea.gov/news/2019/gross-domestic-product-4th-quarter-and-annual-2018-third-estimate-corporate-profits-4th.

287 Pollin et. al., "Green Growth," 2014.

288 Note that the UMass proposal covers only the energy sector, and investments in other areas such as transportation and agriculture would also be needed to avoid the harmful economic impacts discussed above.



A $200 billion per year investment in a clean energy transition will create 4.2 million overall jobs, and 2.7 million net jobs (accounting for an expected decrease of 1.5 million fossil fuel-related jobs.)[289] Net job creation on this scale will benefit the economy overall, lead to increased tax revenues for governments, and reduce required safety net expenditures.

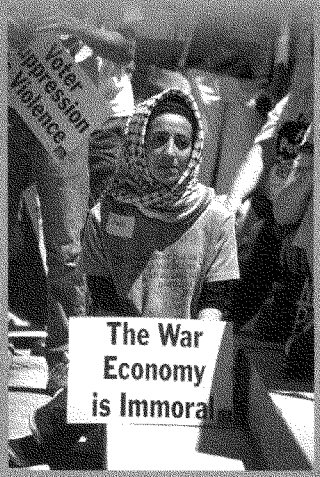
These interventions represent achievable first steps toward addressing climate change, but they do not accomplish the necessary end that all fossil fuels stay in the ground. Full transition away from fossil fuels will require bigger changes and bolder action, including the end of fossil fuel tax breaks. Whatever policies are ultimately adopted to stop climate change must be designed and implemented to dismantle poverty, racism, and militarism. Unless we insist on a just transition away from fossil fuels, even these efforts will replicate the political and economic structures that have brought us this far.

Indeed, the relationship between fossil fuel extraction, pipeline construction and Indigenous and Native communities has become explicit in recent years, especially following the activity of the Standing Rock Sioux around the Dakota Access Pipeline. "Standing Rock" brought hundreds of tribes, nations, and allies together around a common threat to human life and ecological systems. These frontline struggles reveal the deep relationships between systemic racism, poverty, ecological devastation, and militarism, and why they must be addressed together. The way out of our dependency on fossil fuels will come from these impacted communities. It is critical that they are at the center of any meaningful solution, not just as passive victims, but active agents of change.

289 Pollin et. al., "Green Growth," 2014.

INVESTMENTS IN

PEACE AND THE COMMON DEFENSE



INVESTMENTS IN PEACE AND THE COMMON DEFENSE

POOR PEOPLE'S CAMPAIGN DEMANDS

1. We demand an end to military aggression, war profiteering, and war-mongering.

2. We demand a stop to the privatization of the military budget and any increase in military spending. We demand a reallocation of resources from the military budget to education, health care, jobs and green infrastructure needs, and strengthening a Veterans Administration system that must remain public.

3. We demand the demilitarization of our communities on the border and the interior. This includes ending federal programs that send military equipment into local and state communities, and ceasing the call to build a wall at the U.S.-Mexico border.

4. We demand an end to mass incarceration and the continuing inequalities for Black, Brown and poor White people within the criminal justice system.

5. We demand a ban on assault rifles and a ban on the easy access to firearms that has led to the increased militarization and weaponization of our communities.

KEY FINDINGS

- We could save as much as $350 billion per year by cutting current Pentagon spending for fighting endless wars, maintaining a worldwide network of 800 military bases, stoking dangerous arms races, and subsidizing for-profit corporate contractors, and our military budget would still be larger than that of China, Russia, and Iran combined.

- Ending mass incarceration could drastically reduce the $179 billion per year that our nation spends on policing, courts, and private prison operators. A 25% reduction in spending on mass incarceration could fund $44 billion per year in investments in a housing trust fund to build, maintain, and preserve affordable rental homes.

The current actions, structure, and goals of U.S. military policy make our world more dangerous and are destroying our national resources, along with the planet itself. Violence, instability, and human rights violations cannot have solely or primarily military solutions. And using military means to secure natural resources for private exploitation or geopolitical advantage is both wrong and anachronistic. Current U.S. military policy too often assumes that military might is the most effective tool for international engagement. Diplomacy and humanitarian efforts, which should be central in the response to any conflict, are too often subjugated to military approaches or driven by the military itself in the service of military goals.

Proponents of higher military spending in recent years have cited terrorism or growing threats from rival states like Russia and China as justification. But more military spending does not make us safer. The enormous rise in military spending after the 9/11 attacks has not made people in the U.S. or in Afghanistan, Iraq, Syria, Yemen, Libya, Somalia, or anywhere else safer. An ongoing attempt to use military means to end terrorism would entail unfathomable human costs and will never be able to address the root causes of terrorism: dislocation, dispossession, oppression, poverty, hopelessness, and other social ills. Likewise, current preparations for major ground wars involving other nuclear-armed superpowers fail to recognize the utter devastation that such wars would represent. Any scenario involving all-out war with China or Russia is one of untold loss of life and devastation of the world' environment and economy. We must find non-military solutions to real threats.

Our nation's current allocation of resources prioritizes winning wars above all other sources of security, but true security does not mean winning wars. True security means living with dignity, earning a living wage, educating our children, living free from the effects of racism, and knowing that if we get sick or lose a job, there will be a system in place to help.

ENDING THE CULTURE OF WAR

The U.S. military budget is both the largest in the world and at a near record high in U.S. history since World War II (the only exception being the height of the war on terror).[290] The U.S. has now been at war in multiple countries for 18 years, spending $5.9 trillion and costing more than 480,000 lives due to direct conflict alone.[291] This level of U.S. military investment and intervention spurs greater military investment by countries considered rivals, making the world more dangerous, and war more likely. Rationalizations for America's current force size rest on standards of being always ready for two "all-out" ground wars, or one "all-out" war at the same time as two "midsize and longer term" operations.[292] This dangerous thinking fails to acknowledge that preventing war is most likely to happen through non-military means.

Today, the U.S. military budget, not counting spending on veterans' care, homeland security, or war-related interest on the debt, is $716 billion — and climbing. U.S. military budgets were not always so high. In the immediate aftermath of World War II, the military budget shrank to just $77 billion in today's dollars.[293] Most recently, in 1997, after the end of the Cold War and before 9/11, military spending dipped to $395 billion in today's dollars.[294] Military spending levels below $400 billion were also seen throughout the 1970s.

Our military interventions are not only unnecessary, but deeply immoral. The wars in Iraq and Afghanistan have devastated a region, resulting in the violent deaths of 480,000 people and the displacement of 21 million people.[295] U.S. military bases have displaced at least 20 local or indigenous peoples around the world since 1898. Today, the U.S. has bases in 40 countries with authoritarian regimes, lending them legitimacy. And since the military claims that U.S. environmental laws do not apply overseas, it often endangers local people around foreign bases by the use and dumping of hazardous and toxic materials with impunity.[296] Our own troops are also at risk from this environmental damage, and by our militarism more broadly. Veterans are more vulnerable to joblessness, homelessness, and suicide than non-veterans.

It is both possible and necessary to secure the nation's safety with a reduced military budget. The savings can be applied to other critical areas of the U.S. economy to spur job growth and address

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290 Lindsay Koshgarian, "Trump Wants a Crazy $750 Billion for Military," National Priorities Project at the Institute for Policy Studies, December 10, 2018, https://www.nationalpriorities.org/blog/2018/12/10/trump-wants-750-billion-military-nearing-record-spending/.

291 Costs of War, Watson Institute for International and Public Affairs, November 2018, https://watson.brown.edu/costsofwar/costs. Deaths are those directly due to violence, and do not include deaths due to war-related disease, lost infrastructure or related causes.

292 Michael E. O'Hanlon, "How Big an Army Does the United States Need?" Brookings, November 15, 2013, https://www.brookings.edu/opinions/how-big-an-army-does-the-united-states-need/.

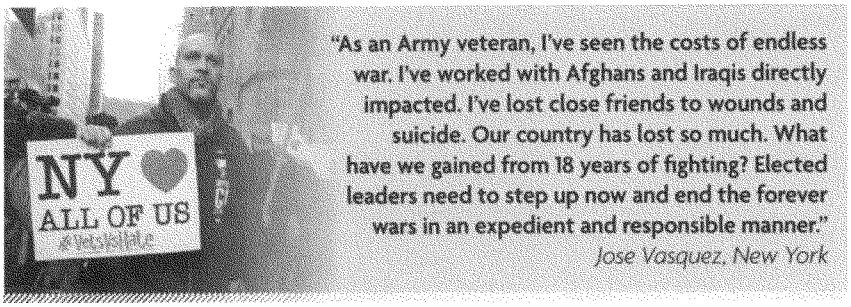
293 "Table 3.1, Outlays by Superfunction and Function, 2940-2024," Office of Management and Budget, March 18, 2019, https://www.govinfo.gov/app/collection/budget/2020/BUDGET-2020-TAB. Inflation calculation by authors.

294 "Public Budget Authority," Office of Management and Budget: Supplemental Materials, accessed Dec. 10, 2018, https://www.Whitehouse.gov/omb/supplemental-materials/. Inflation calculations by authors.

295 Neta C. Crawford, "Human Cost of the Post-9/11 Wars: Lethality and the Need for Transparency," Watson Institute for International & Public Affairs, November 2018, https://watson.brown.edu/costsofwar/files/cow/imce/papers/2018/Human%20Costs%2C%20Nov%208%202018%20CoW.pdf.

296 "U.S. Military Bases Overseas: The Facts," Overseas Base Realignment and Closure Coalition, accessed December 10, 2018, https://www.overseasbases.net/fact-sheet.html.

social needs in education, health, housing, water infrastructure, and other areas. This will also move our nation toward conflict prevention centered around diplomacy and away from today's militarized approach to foreign policy. This militarized approach extends to our domestic affairs, evident especially in policing and immigration policy, but also in the ways that we secure our schools and streets. This has contributed to needless antagonism and loss of life in our communities.



"As an Army veteran, I've seen the costs of endless war. I've worked with Afghans and Iraqis directly impacted. I've lost close friends to wounds and suicide. Our country has lost so much. What have we gained from 18 years of fighting? Elected leaders need to step up now and end the forever wars in an expedient and responsible manner."
Jose Vasquez, New York

REDUCING MILITARY SPENDING

Today's U.S. military budget stands at $716 billion, outpacing the next seven countries combined.[297] That spending accounts for 54% of the discretionary budget, while anti-poverty spending in the discretionary budget is at only $190 billion. This budget reflects the reality of a dangerous and self-destructive attempt at U.S. military domination in the world, rather than the actual defense and security of our nation and people. The United States can deter war and ensure our national security better with a vastly reduced military budget and a parallel investment in non-military means.

Previous studies have proposed military spending cuts of:

- $440 billion over 10 years from a study by the Institute for Policy Studies and the Center for American Progress;[298]
- $1.2 trillion over 10 years from a study by the Cato Institute;[299] and
- $213 billion in one year (or a corresponding $2 trillion over 10 years) from a study by the Institute for Policy Studies.[300]
- $2 trillion over the next decade proposed by the Project on Government Oversight in conjunction with Public Citizen.[301]

297 "U.S. Military Spending vs. the World," National Priorities Project at the Institute for Policy Studies, accessed December 10, 2018, https://www.nationalpriorities.org/campaigns/us-military-spending-vs-world/.
298 Miriam Pemberton and Lawrence Korb, "Rebalancing Our National Security The Benefits of Implementing a Unified Security Budget," The Task Force on a Unified Security Budget, October 2012, https://ips-dc.org/wp-content/uploads/2012/10/UnifiedSecurityBudget-fy2013.pdf.
299 Benjamin H. Friedman and Christopher Preble, "Budget Savings from Military Restraint," Policy Analysis No. 667, September 23, 2010, https://object.cato.org/sites/cato.org/files/pubs/pdf/PA667.pdf.
300 John Feffer et al, "Just Security: An Alternative Foreign Policy Framework," Institute for Policy Studies, June 2007, https://ips-dc.org/wp-content/uploads/2007/06/070608-justsecurity.pdf.
301 "Spending Smarter, Spending Less: Opportunities to Reduce Excessive Pentagon Spending," Project on Government Oversight, May 2019, https://peopleoverpentagon.org/guidetocuts/.

Each of these previous proposals include well-considered and necessary Pentagon spending cuts, and each would represent progress. Still, a full reimagining of the American military, and a full transition from domination to defense, could go further.

If the U.S. were to refocus military priorities on true defense, the savings would be enormous. The biggest single dollar cut comes from closing overseas bases. As of September 2018, the Pentagon had 170,000 troops stationed in more than 90 countries. Most are stationed in Europe, Japan, and South Korea, notably the sites of major 20th century ground wars where the military went in and never left, much like Afghanistan today.[302] The United States maintains at least 10 times as many foreign bases as the rest of the world combined at a cost of $150 billion per year including troops.[303] We do not need to maintain unending troop presence everywhere we have ever fought a war, especially when movements opposing our bases have arisen in many of those places.

"When I joined the military, I had no idea that the United States military has over 800 bases worldwide. Why do we keep such a strong presence throughout the world? The short answer is to provide western capital interests with continuous access to foreign resources and markets. Most of the military budget is not used to fight wars.... We take their resources and bring their wealth into our country, and then we build walls to ensure they cannot come here and participate in the wealth we have taken from them."
Chris Overfelt, Kansas

The U.S. should begin discussions with host countries to bring U.S. troops home and decommission foreign bases. If we closed overseas bases and cut overseas troop levels by 60%, the Pentagon would still have roughly 70,000 permanently stationed overseas troops at more than 300 bases. Closing even more bases may be advisable, but closing the majority of bases would take years and would be a big step in the right direction.

Meanwhile, a vast array of private contractors thrives on our culture of war. Corporate military contractors now account for more than half of the Pentagon's budget. One contractor alone, Lockheed Martin, took in more than $35 billion in Pentagon contracts in 2018[304] – nearly as much as the entire $40 billion budget for the State Department and USAID combined.[305]

302 "Military and Civilian Personnel by Service/Agency by State/Country (Updated Quarterly)," Defense Manpower Data Center (DMDC), September 2018, https://www.dmdc.osd.mil/appj/dwp/dwp_reports.jsp.
303 Overseas Base Realignment and Closure Coalition, "U.S. Military Bases Overseas: The Facts," https://www.overseasbases.net/fact-sheet.html.
304 "Spending by Prime Award," USA Spending, accessed May 22, 2019, https://www.usaspending.gov/#/search/d1532cb6f9b77d73d9e622972bca05d7.
305 "Congressional Budget Justification Department of State, Foreign Operations, and Related Programs: Fiscal Year 2020," Department of State, accessed May 22, 2019, https://www.state.gov/wp-content/uploads/2019/05/FY-2020-CBJ-FINAL.pdf.

Pentagon contracts and profits contribute to unnecessary military purchases as well as income inequality. The CEOs of the top five Pentagon contractors received a combined total of $96 million in compensation in 2017.[306] Investment advisors promote defense stocks as particularly lucrative for investors, advising them to buy more as the Pentagon budget increases.[307] Since the richest 1% holds more than half of national wealth invested in stocks and mutual funds,[308] the profits on these investments are largely accruing to the wealthiest Americans. And the average Pentagon contractor salary is almost $200,000,[309] compared to top pay for a four-star general or admiral at $189,600 and just $20,172 for the lowest-ranking enlisted soldiers.[310]

Steps to transform our national defense from domination to true defense include:

- Close unnecessary overseas bases and discharge troops permanently stationed there over time, through a combination of attrition and retirement;
- End all current U.S. wars;
- Close unnecessary bases on U.S. territory;
- Reduce or cancel weapons systems, including ships and planes, tied to the outdated mandate of running multiple major wars at once;
- Work toward total nuclear disarmament, as required by the Nuclear Non-Proliferation Treaty, with a $4 billion reserve of nuclear weapons funds for implementation. While disarmament would require new international treaties that would take years of effort, this should be the long-term goal for the U.S.;
- Transfer spending on military medical care and military primary and secondary schools within U.S. borders to expanded public health care programs and public-school systems;
- End financial aid to foreign militaries (as well as foreign military sales);
- Implement cost-saving efficiency measures like replacing troops with federal civilian employees in administrative positions, reducing the use of contractors,[311] reducing spending for research and development on weapons systems, and reducing funds for military construction, among others.

306 Amanda Macias, "Sen. Bernie Sanders challenges Pentagon official over defense contractor CEO pay," CNBC, March 7, 2018, https://www.cnbc.com/2018/03/07/bernie-sanders-slams-defense-contractor-ceo-pay.html.

307 Al Root, "Buy Defense Stocks Because Military Spending Is on the Rise, Analysts Say," Barron's, March 4, 2019, https://www.barrons.com/articles/buy-defense-stocks-because-military-spending-is-on-the-rise-analysts-say-51552495159.

308 Edward N. Wolff, "Household Wealth Trends in the United States, 1962 to 2016: Has Middle Class Wealth Recovered?" National Bureau of Economic Research, Working Paper No. 24085, November 2017, https://www.nber.org/papers/w24085.

309 Silvia Ascarelli, "The average Defense Department contractor is paid nearly $200,000," MarketWatch, December 6, 2016, https://www.marketwatch.com/story/the-average-defense-department-contractor-is-paid-nearly-200000-2016-12-06.

310 Caitlin Foster, "Military pay: This is how much US troops are paid according to their rank," Business Insider, February 15, 2019, https://www.businessinsider.com/how-much-military-service-members-make-2019-2#o-10-189600-19.

311 "DoD Contractors Cost Nearly 3 Times More than DoD Civilians," Project on Government Oversight, November 30, 2012, https://pogoblog.typepad.com/pogo/2012/11/dod-contractors-cost-nearly-3-times-more-than-dod-civilians.html.

TABLE 5: ANNUAL REDUCTIONS IN SPENDING FROM A SMALLER MILITARY

Total Possible Military Savings (Billions of Dollars)	$349.6
Close 60% of foreign bases - The U.S. operates 800 bases in 90 countries, ten times more than the rest of the world combined. Close 60% of those (roughly 480 bases) and allow corresponding troop reductions primarily through attrition and retirement. (This excludes combat troops).	**$90.0**
End wars and war funding - End wars in Iraq, Afghanistan, Syria, Yemen, and elsewhere, and bring our troops home.	**$66.0**
Cut unnecessary weapons - Cancel new procurement and reduce use of weapons systems that are obsolete, ineffective, or in excess of reasonable security needs.	**$57.9**
Dismantle nuclear weapons - Seventy countries have signed on to a U.N. ban on nuclear weapons to eliminate the threat of nuclear war. Develop new treaties for complete nuclear disarmament, destroy U.S. nuclear stockpiles (includes a $4 billion annual budget for implementation), cancel nuclear delivery systems (bombers, submarines), and cancel planned nuclear upgrades.	**$42.8**
Convert Military Health System into a universal health system - A system of universal health care in the United States would provide medical care to troops and their families and allow separate funding for military health care to be funneled into that system.	**$33.3**
Cut overhead by 10% - Military overhead increased from $57,400 per active duty service member in 1980 to $152,300 in 2015 (in 2015 dollars). A 10% reduction could be achieved primarily through a reduced reliance on for-profit contractors and reduced use of fossil fuels.	**$27.0**
End Foreign Military Financing Program - End military foreign aid that enables authoritarian governments and human rights abuses, and increases killing and violence, and instead invest in diplomacy and economic and humanitarian aid.	**$14.0**
Reduce research and development (R&D) by 10% - The 2018 military research and development budget increased by 11% since 2015 (adjusting for inflation). This reduction brings R&D back to roughly the 2015 level and reflects the fact that a smaller military would also need less R&D.	**$10.4**
Replace military personnel in support positions with civilians - Transition up to 80,000 military positions providing support and administrative functions to civilian employment.	**$3.0**
Close unneeded domestic bases: The Pentagon has requested a process to close domestic bases it says it doesn't need. Closing unneeded domestic bases could save $2 billion per year.	**$2.0**
Other: Cancel the Space Force; cut military construction by 10% to meet needs of smaller military; convert U.S.-based military elementary and secondary schools to public schools	**$3.1**

See Lindsay Koshgarian, "Guide to 350 Billion in Pentagon Cuts," June 2019, https://www.nationalpriorities.org/analysis/2019/cutting-350-billion-from-military-budget/

Supporters of military spending often cite the jobs that are dependent on the Pentagon's massive budget. But maintaining our military as a jobs program is a wasteful and dangerous diversion from true national security needs, and cutting troops could be done through a combination of attrition, lower recruiting goals, and retirements. The Department of Defense has estimated that between 230,000 and 245,000 enlisted personnel would leave the military each year through 2019.[312] The Army in particular has ramped up recruitment efforts, including launching social media campaigns, increasing signing bonuses, and actively recruiting through online communities like the e-Sports video gaming community.[313] Despite these efforts and a scandal over tens of millions of dollars spent on marketing, the Army still failed to meet its recruitment goals.[314] Reducing the size of our Armed Forces could be achieved mostly, if not entirely, by attrition and reduced recruiting.

While attrition, retirement, and reductions in recruiting would achieve the vast majority of troop reductions, some job losses would occur as a result of restructuring the U.S. military, cutting Pentagon contracts, and the like. But reinvesting military spending in other areas would actually create more jobs. According to a study from the University of Massachusetts Political Economy Research Institute, investing $1 million in the military created fewer jobs than investing in any other industry studied, including clean energy, education, health care, and infrastructure.[315] Some additional costs would be necessary to help transition Pentagon civilian, military, and contract employees as military spending is reduced, and the Pentagon already has an Office of Economic Adjustment to do just that. However, many of those costs would be offset by gains resulting from other policies outlined in this Moral Budget. And, though some jobs would be forfeited with reduced military activity around the world, others would be created in expanding diplomacy and conflict prevention approaches.

Diplomatically-Centered Foreign Policy

The U.S. diplomatic corps has been hollowed out by an administration hostile to its goals, and by decades in which the military itself has come to dominate foreign policy.[316] And yet, diplomats will play a bigger role in ensuring peace and security as spending on weapons and our worldwide military presence is reduced. For example, complete nuclear disarmament should be the ultimate goal, in keeping with the UN resolution establishing a Treaty for the Prohibition of Nuclear Weapons. Nuclear disarmament is not possible without the negotiation of new treaties, which will require skilled diplomats.

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312 Anna Zogas, "US Military Veterans' Difficult Transitions Back to Civilian Life and the VA's Response," Costs of War, Watson Institute for International and Public Affairs, February 2017, https://watson.brown.edu/costsofwar/files/cow/imce/papers/2017/Zogas_Veterans%27%20Transitions_CoW_2.1.17.pdf.

313 Leila Fadel and Amanda Morris, "After Falling Short, U.S. Army Gets Creative With New Recruiting Strategy," NPR, January 6, 2019, https://www.npr.org/2019/01/06/682608011/after-falling-short-u-s-army-gets-creative-with-new-recruiting-strategy.

314 Meghann Myers, "After 2018's recruiting shortfall, it will take a lot longer to build the Army to 500K," Army Times, March 14, 2019, https://www.armytimes.com/news/your-army/2019/03/14/after-2018s-recruiting-shortfall-it-will-take-a-lot-longer-to-build-the-army-to-500k/.

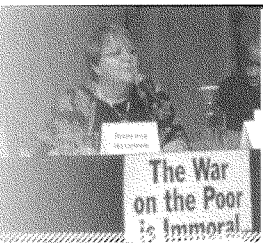
315 Heidi Garrett-Peltier, "Job Opportunity Cost of War," Political Economy Research Institute, University of Massachusetts Amherst, and Costs of War, Watson Institute for International and Public Affairs, May 24 2017, https://watson.brown.edu/costsofwar/files/cow/imce/papers/2017/Job%20Opportunity%20Cost%20of%20War%20-%20HGP%20-%20FINAL.pdf.

316 Gardiner Harris, "Diplomats Sound the Alarm as They Are Pushed Out in Droves," The New York Times, November 24, 2017, https://www.nytimes.com/2017/11/24/us/politics/state-department-tillerson.html.

The Institute for Policy Studies previously identified $35 billion (in 2008 dollars) as the amount necessary for preventive measures such as development aid, clean energy, weapons non-proliferation, and diplomacy. Adjusting for inflation, this would be about a $42 billion increase in 2020.

A report from a coalition of veterans' support groups estimated that in 2020, veterans' medical costs would require about $6.3 billion more than the administration had budgeted.[317] Over the very long term, the reduction in war and conflict would result in far fewer U.S. veterans returning from war with life-shattering physical and emotional injuries, and thus reduced costs for veteran's care and better lives for hundreds of thousands of people.

"The costs of the war economy are too high. Too many lives are ruined. Too many dollars are spent on death and destruction that could be used to lift people up by providing safe housing, nutritious food, quality education and medical care."
Roberta Hickman, Kansas



ENDING MILITARISM AT HOME

The public and political acceptance of endless expansion of the military is mirrored by the acceptance of militarism in everyday life. Militarism is the idea that violence is an acceptable answer to any problem and a justified response to issues arising out of economic and social insecurity.

We see increasing militarism in policing, immigration, mass incarceration, gun culture, and in our schools and other social institutions. The domination mindset of the military is now present across our communities.

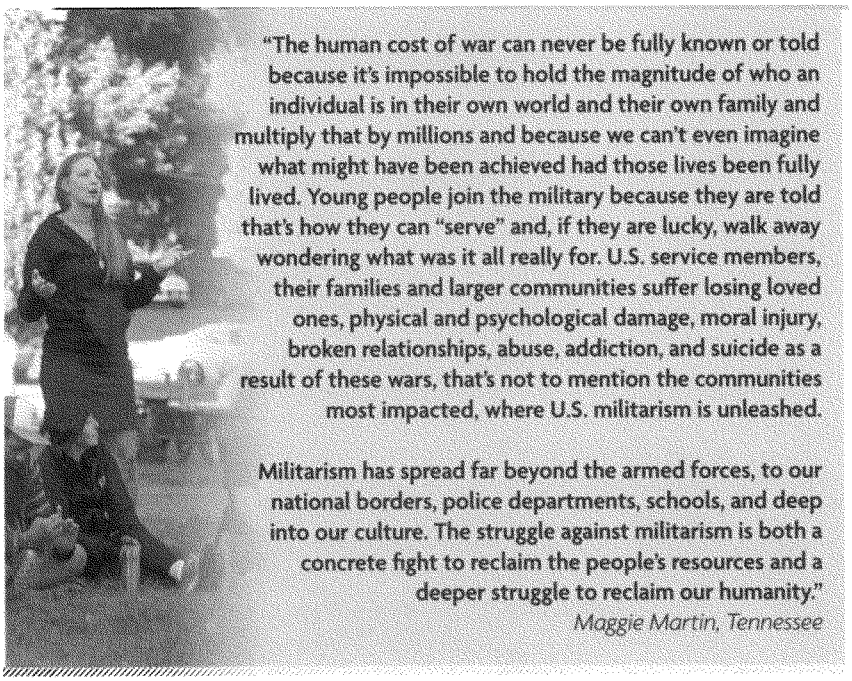
The costs incurred by militarism are far greater than their mere economic impact. Militarism fractures community, creating an environment of distrust and fear among neighbors, and has a particularly devastating impact on poor people and people of color.

Eliminating Militarism in Immigration

The United States has long resisted the arrival of people from other parts of the world, driven by racism, religious and ethnic discrimination, and sometimes stoked by economic anxiety. The racial immigration quotas of the earlier 20th century have given way to today's country bans, racial profiling of Latinx people, mass deportations, and border walls. New immigration agencies have

317 "The Independent Budget for the Department of Veterans Affairs: Fiscal Years 2019 and 2020," Paralyzed Veterans for America, Disabled American Veterans, Veterans of Foreign Wars of the United States, accessed May 22, 2019, http://www.independentbudget.org/2019/z_edits_022218/IB_FY19-20_D9s.pdf.

been developed, and others expanded, with the result of excluding from our country people who are poor, people of color, and people who are Muslim. All of this has taken place in a country that has been defined by the movement of people seeking freedom and liberty from poverty and oppression.



"The human cost of war can never be fully known or told because it's impossible to hold the magnitude of who an individual is in their own world and their own family and multiply that by millions and because we can't even imagine what might have been achieved had those lives been fully lived. Young people join the military because they are told that's how they can "serve" and, if they are lucky, walk away wondering what was it all really for. U.S. service members, their families and larger communities suffer losing loved ones, physical and psychological damage, moral injury, broken relationships, abuse, addiction, and suicide as a result of these wars, that's not to mention the communities most impacted, where U.S. militarism is unleashed.

Militarism has spread far beyond the armed forces, to our national borders, police departments, schools, and deep into our culture. The struggle against militarism is both a concrete fight to reclaim the people's resources and a deeper struggle to reclaim our humanity."

Maggie Martin, Tennessee

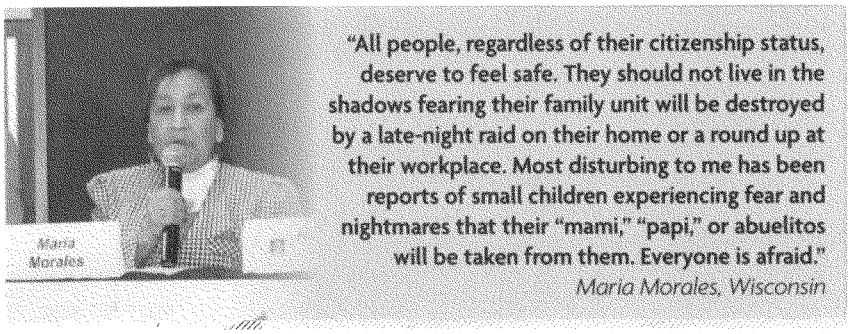
Following the formation of the Department of Homeland Security in 2002, federal immigration enforcement has been carried out by two agencies: Customs and Border Protection (CBP), primarily responsible for immigration and the flow of goods at U.S. borders and ports, and Immigration and Customs Enforcement (ICE), which focuses on internal enforcement. Both perpetuate inhumane and militaristic immigration practices. In the aftermath of Hurricane Harvey, for example, CBP continued to operate immigration checkpoints along evacuation routes, so that undocumented immigrants fleeing rising waters would have to choose between risking their lives or risking deportation.[318] News reports are rife with stories of ICE deportations as parents dropped their kids off at school[319] and are swept off to detention and deportation and mass deportation raids in factories and workplaces continue to result in ghost towns where immigrant communities once thrived.[320]

318 Alex Emmons, "Border Patrol Checkpoints in Texas Will Stay Open as Hurricane Evacuation is Underway," The Intercept, August 25, 2017, https://theintercept.com/2017/08/25/border-patrol-checkpoints-in-texas-will-stay-open-as-hurricane-evacuation-is-underway/.

319 Ted Sherman, "AG criticizes ICE arrests of immigrants as kids were going to school," NJ.com, January 26, 2018, https://www.nj.com/news/2018/01/ag_criticizes_ice_arrests_of_immigrants_as_kids_we.html.

320 Tanvi Misra, "The Stark Geography of U.S. Immigration Raids," Citylab, October 25, 2018, https://www.citylab.com/equity/2018/10/where-ice-immigration-raids-are-concentrated/573883/.

Since 1976, federal spending on immigration, deportation, and border policies increased from $2 billion to $17 billion, and deportations increased tenfold between 1976 and 2015. In 2017, the U.S. Border Patrol had more than 19,500 border patrol agents,[321] up from just over 1,700 in 1976.[322] Since the Department of Homeland Security was founded in 2003, more than 5 million people have been deported.[323]



"All people, regardless of their citizenship status, deserve to feel safe. They should not live in the shadows fearing their family unit will be destroyed by a late-night raid on their home or a round up at their workplace. Most disturbing to me has been reports of small children experiencing fear and nightmares that their "mami," "papi," or abuelitos will be taken from them. Everyone is afraid."

Maria Morales, Wisconsin

Within the ICE budget, the most detrimental activities to human life and potential are conducted by the ICE division known as Enforcement and Removal Operations (ERO), with a 2017 budget of $3.7 billion, and the Border Patrol, with a budget of more than $4.2 billion.[324]

Eliminating the ERO budget and reducing the CBP budget to 1976 levels (based on per-agent costs) could result in estimated savings of $14 billion annually, including $3.9 billion from decreasing border patrols, and, up to $3.7 billion from ending deportations. A study of mass incarceration of migrants estimated that jail and prison costs (excluding court costs) for criminal prosecutions for entering or reentering the United States totaled $7 billion.[325] The U.S. could also realize a one-time savings of up to $25 billion from not building or fortifying physical barriers such as walls or fences at the U.S.-Mexico border.[326]

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321 Department of Homeland Security, "U.S. Border Patrol Fiscal Year Staffing Statistics (FY 1992- FY 2018)," https://www.cbp.gov/document/stats/us-border-patrol-fiscal-year-staffing-statistics-fy-1992-fy-2018, accessed May 29, 2019.

322 "Border Patrol Expands But Growth Rate After 9/11 Much Less Than Before Division Between North/South Border Little Changed," TRAC Immigration, Syracuse University, April 4, 2006, http://trac.syr.edu/immigration/reports/143/.

323 "Table 39. Aliens Removed or Returned: Fiscal Years 1892 to 2017," April 9, 2019, U.S. Department of Homeland Security Yearbook of Immigration Statistics. https://www.dhs.gov/immigration-statistics/yearbook/2017/table39.

324 "FY 2019: Budget in Brief," Department of Homeland Security, accessed May 22, 2019, https://www.dhs.gov/sites/default/files/publications/DHS%20BIB%202019.pdf.

325 Judith A. Greene, Bethany Carson, and Andrea Black. Indefensible: A decade of mass incarceration of migrants prosecuted for crossing the border (Austin: Grassroots Leadership & Justice Strategies, July 2016), https://www.prisonpolicy.org/scans/indefensible_book_web.pdf.

326 Jordain Carney, "GOP senators introduce bill to give Trump $25 billion for border wall," The Hill, December 6, 2018, https://thehill.com/homenews/senate/420021-gop-senators-introduce-bill-to-give-trump-25-billion-for-border-wall.

The results could allow for the reallocation of savings to education, health care, jobs and green infrastructure; contribute to the end of violence, fear and family separation caused by border patrol and deportations; help build healthier communities where immigrants flourish; and provide principled aid to impoverished countries from which refugees and other migrants come.

"What we are witnessing at the U.S. border, this is a human rights crisis, a moral failure on the part of the U.S. government, and the visible devastation wrought by a lie that is being told again and again throughout this nation – the lie of scarcity. Scarcity is a lie that instills fear. It makes enemies of people struggling to survive while the wealthy amass untold fortunes from an abundance that could otherwise unlock possibility and opportunity for all. When we are fearful, we shut down, we close our doors, close our borders. And the cost of this is human lives. When we are fearful, we buy into a logic of violence that justifies tear gassing children and deporting people back to near certain death."

Rev. Susan Frederick Gray, Massachusetts

Eliminating Militarism in Policing and Mass Incarceration

Less than three months after Martin Luther King, Jr. was assassinated, Congress passed the Omnibus Crime and Safe Streets Act, vastly increasing federal funds for arming and training local police forces. Today, police have increasingly adopted militaristic practices and equipment, including Pentagon-provided military equipment and weapons.

They receive this equipment thanks to the Department of Defense's 1033 program, which sends surplus military gear to police departments all over the country at virtually no cost to local police forces. Between 2006 and 2014 alone, the value of just the top 10 categories of military equipment sent to law enforcement agencies totaled more than $1.5 billion and included ammunition, guns, armored vehicles known as Mine-Resistant Ambush Protected vehicles (MRAPs), and grenade launchers.[327]

Military equipment has no place in our city streets. Ending the 1033 program could be done at no additional cost, and was briefly done during the Obama administration.

327 "LESO Ammunition Transfers," Defense Logistics Agency, accessed May 22, 2019, https://www.dla.mil/DispositionServices/Offers/Reutilization/LawEnforcement/PublicInformation/.

"These police departments get so much money, and they're using it to arm themselves to fight against citizens with a complete lack of accountability."
Cherri Foytlin, Louisiana

Removing this equipment from police departments is just the first step to addressing the violence of the criminal justice system in the U.S., including mass incarceration. The criminal justice system disproportionately targets, arrests, and incarcerates people of color and the poor[328] and touches a vast number of Americans. A report from the Equal Justice Initiative (EJI) found that one in four adults has had a sibling incarcerated, one in five adults has had a parent incarcerated, and one in seven has had a child incarcerated.[329] A thriving industry of corporations profit from imprisonment on a mass scale.[330]

"We were trained in the military that you don't point a gun at somebody, unless you are shooting them. Now I see the police force is militarized, schools are militarized, buildings are militarized, putting spikes down so homeless people can't sleep nearby.... we used to not spend so much money on violent answers to things. At one time, we were spending more on counselors, on schools, on homeless shelters, instead of jails."
Rev. Shawna Foster, Colorado

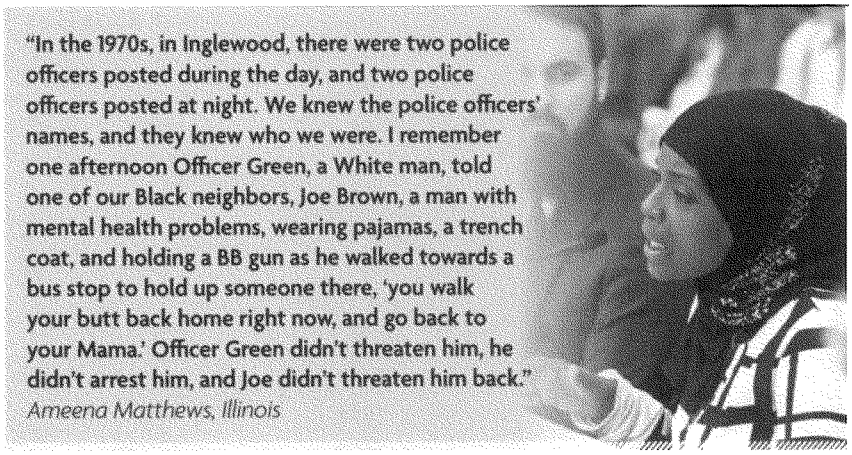
The costs of mass incarceration are staggering and are not limited to the direct costs of imprisoning millions of Americans. According to the Prison Policy Initiative (PPI), the U.S. system of mass incarceration costs governments $179 billion every year (including policing, courts and prisons, and payments to private prison operators).[331] These costs are borne across all levels of government, but hit states and localities the hardest. According to a study by the Center for Economic and Policy Research, loss of employment following incarceration leads to a reduction of $78 billion to $87 billion in lost GDP.[332]

328 "Criminal Justice Fact Sheet," NAACP, accessed May 22, 2019, https://www.naacp.org/criminal-justice-fact-sheet/.
329 Brian Elderbroom, et al. Every Second: The Impact of the Incarceration Crisis on America's Families. FWD.us, December 2018, https://everysecond.fwd.us/downloads/EverySecond.fwd.us.pdf.
330 Peter Wagner and Bernadette Rabuy. "Following the Money of Mass Incarceration," Prison Policy Initiative, January 25, 2017, https://www.prisonpolicy.org/reports/money.html.
331 *Ibid.*
332 Cherrie Bucknor and Alan Barber, "The Price We Pay: Economic Costs of Barriers to Employment for Former Prisoners and People Convicted of Felonies," Center for Economic and Policy Research, June 2016, http://cepr.net/images/stories/reports/employment-prisoners-felonies-2016-06.pdf.

In addition, the privatization of the prison system results in perverse incentives for private prison corporations to seek profits for their investors by keeping people incarcerated in poor conditions. Fully private prisons hold less than a tenth of the nearly 2.2 million people incarcerated in America, and bring in annual revenues of $4 billion, but the market for privatized services dwarfs that of privatized facilities themselves and affects almost everyone in the system. The correctional food service industry alone provides about $4 billion worth of services each year, and about half of the $12.3 billion that corrections departments spend on health care is provided by private companies.[333]

Families of incarcerated people pay $2.9 billion each year for fees, phone calls to their incarcerated loved one, and other charges implemented by the prisons' private communications contractors.[334]

Truly ending the system of mass incarceration would require systemic changes to how we invest in communities, how communities are policed, how cases are prosecuted, how courts try cases, and how we reintegrate those who have already been incarcerated. It will require a fundamental shift away from a militarized approach to criminal justice.



"In the 1970s, in Inglewood, there were two police officers posted during the day, and two police officers posted at night. We knew the police officers' names, and they knew who we were. I remember one afternoon Officer Green, a White man, told one of our Black neighbors, Joe Brown, a man with mental health problems, wearing pajamas, a trench coat, and holding a BB gun as he walked towards a bus stop to hold up someone there, 'you walk your butt back home right now, and go back to your Mama.' Officer Green didn't threaten him, he didn't arrest him, and Joe didn't threaten him back."
Ameena Matthews, Illinois

Ending Easy Access to Firearms

A powerful and unaccountable weapons industry has helped create a domestic gun culture in which military-grade assault rifles are available for sale to civilians, and easy access to firearms has led to the increased militarization and weaponization of our communities. Along with the militarization of our borders and policing and mass incarceration, gun policy completes the trifecta of the militarization of life in America.

333 Tim Requarth, "How private equity is turning public prisons into big profits," The Nation, April 30, 2019, https://www.thenation.com/article/prison-privatization-private-equity-hig/.
334 Peter Wagner and Bernadette Rabuy

In this country, guns kill 33,000 people and injure 80,000 more each year. More than half of gun murder victims are Black. Guns are used in 70% of homicides and more than 50% of suicides in the United States.[335] The total annual cost of gun violence in the United States exceeds $229 billion, with $8.6 billion in direct costs like emergency and medical care, as well as long-term prison costs for people convicted of gun-related violence, and $169 billion in indirect costs to quality of life of victims of gun crimes.[336]

"One of my friends, whom I considered a big sister, was innocently killed while sitting in a car. As the thoughts and prayers rang in from politicians near and far, I sat back constantly saying to myself, 'Thoughts and prayers won't stop a speeding bullet.' The night of Arrielle's death, I realized that gun violence was not just an inner-city problem, I realized that gun violence isn't a Black or White issue, it's an issue that affects us all."

Justin Smith, Alabama

Policies to curb easy firearm access have been shown to save lives, and policies that make firearm access easier cost lives. States with stricter gun control laws have fewer gun deaths over all,[337] while states with easier access and more firearms have higher rates of teen suicide.[338] Universal background checks are associated with a 15% drop in the homicide rate, while states that require automatic issuance of concealed-carry permits to anyone who meets certain criteria can expect a 10% increase in homicide rates. States with the strongest combination of policies to restrict firearm access had homicide rates that were 36% lower than states that had none.[339]

Undoing easy access to firearms would save thousands of lives, and would also happen to be good for the economy. Policies that make firearms harder to get are also popular. Two-thirds of Americans, and half of people in gun-owning households, support assault weapons bans.[340] And yet, the record of action in Congress is nearly nonexistent. The day after a high-profile mass shooting in San Bernardino, California on December 3, 2015, the Senate rejected a bill to tighten background checks on gun buyers.

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335 Jaeah Lee and Julia Lurie, "16 Charts That Show the Shocking Cost of Gun Violence in America," Mother Jones, April 15, 2015, https://www.motherjones.com/politics/2015/04/charts-show-cost-price-gun-violence-america/.

336 Mark Follman et al., "The True Cost of Gun Violence in America," Mother Jones, April 15, 2015, https://www.motherjones.com/politics/2015/04/true-cost-of-gun-violence-in-america/.

337 Richard Florida, "The Geography of Gun Deaths," *The Atlantic*, January 13, 2011, https://www.theatlantic.com/national/archive/2011/01/the-geography-of-gun-deaths/69354/.

338 Richard Florida and Nicole Javorsky, "Teen Suicide Rates Are Higher In States Where More People Own Guns," Citylab, January 29, 2019, https://www.citylab.com/life/2019/01/teen-suicide-guns-in-america-mass-shootings-data/581335/.

339 Richard Florida and Nicole Javorsky, "The 3 Gun-Control Laws That Work Best in the U.S.," Citylab, April 5, 2019, https://www.citylab.com/life/2019/04/gun-control-firearms-law-deaths-shooting-state-data-research/586363/.

340 *Ibid.*

The reason why is no secret. In 2018, gun control groups spent $2 million lobbying Congress, compared with nearly $12 million for pro-gun-access groups and another $1.4 million for gun manufacturers. In all, pro-firearm groups spent more than six times as much as gun control groups.[341]

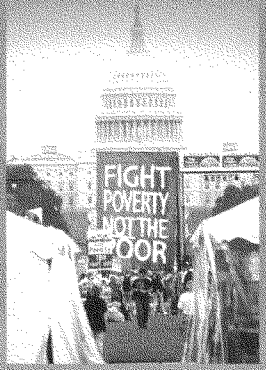
And yet, progress at the state level has been more rapid. In 2018, 69 new gun control measures passed state legislatures, and more than half of states passed at least one new gun control measure.

In some states, ballot measures have led to progress: in Washington State, voters approved expanded background checks, restricted access to semi-automatic rifles, a waiting period, and mandated safe storage for firearms.[342]

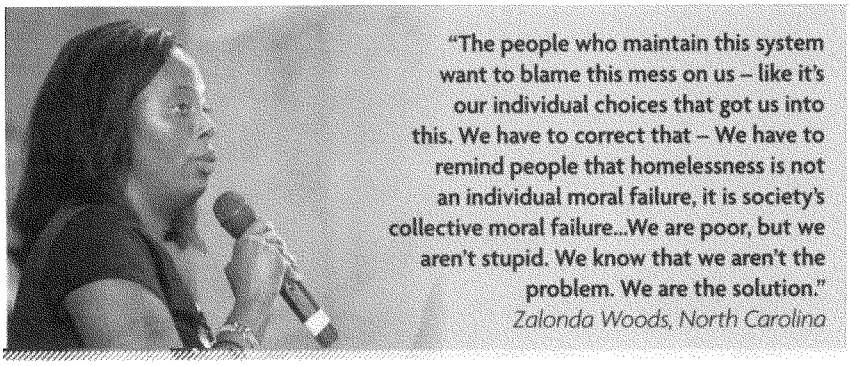
Access to guns is not a more sacred right than the right to live in peace and security. Policies like banning assault rifles and making firearm access more difficult through measures like thorough background checks would save thousands of lives and return billions of dollars to our economy.

341 Raymond Arke and Geoff West, "Gun Rights vs Gun Control," Open Secrets, May 2019, https://www.opensecrets.org/news/issues/guns.
342 Maggie Astor and Karl Russell, "After Parkland, a New Surge in State Gun Control Laws," The New York Times, December 14, 2018, https://www.nytimes.com/interactive/2018/12/14/us/politics/gun-control-laws.html.

CONCLUSION



CONCLUSION



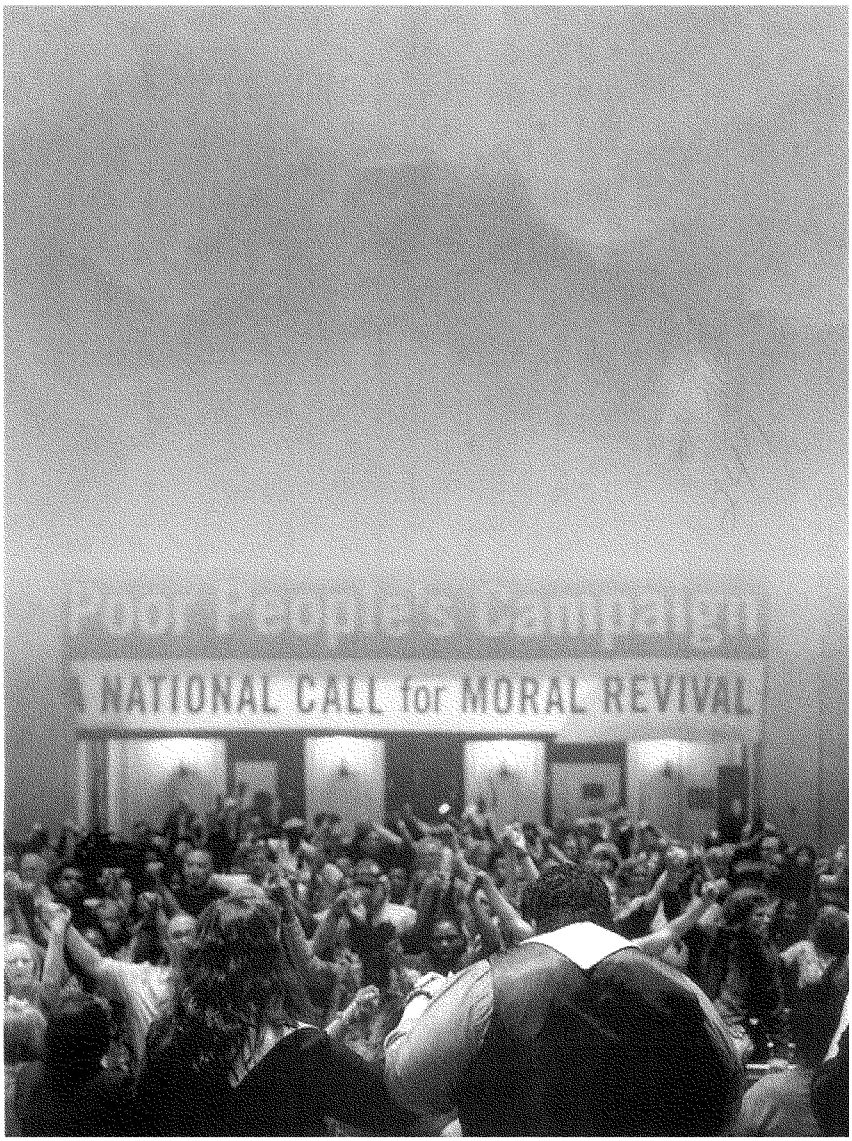
For too long, we have turned to those with wealth and power to solve our most pressing social problems. We have been led to believe that those in positions of influence and authority will use the resources at hand in the best possible way for the betterment of our society. This orientation has justified tax cuts for the wealthy and corporations and work requirements for the poor; it has secured environmental shortcuts for industry and military expansion around the world; and it has yielded very little for the 140 million people in this country who are still poor and struggling to meet their needs.

As we have shown in this Budget, this is not because there is a lack of resources to address systemic racism, poverty, ecological devastation, and militarism. We are a wealthy country. We can provide robust voting rights, decent jobs, and secure incomes, housing, health care, education, peace, and a clean environment for everyone.

This Budget shows that if we prioritize the needs and demands of the poor, we will create more jobs, build up our infrastructure, and yield short- and long-term benefits that will grow our economy and protect our resources for future generations.

This is not an argument for charity or goodwill to the poor. It is, rather, a simple recognition that the poor are not only victims of injustice, but agents of profound social change. Rather than following the direction and leadership of the wealthy and powerful, it is time to follow the direction and leadership of the poor. Indeed, if we organize our resources around the needs of the 140 million, this Budget shows that we will strengthen our society as a whole.

This is why the Poor People's Campaign: A National Call for Moral Revival continues to organize and build power among the poor today. It understands that those who have been cast out of the economy and who are living on the few remaining crumbs of its meager offerings are also articulating a way out of this wretched existence – not just for themselves, but for us all.


Poor People's Campaign
A NATIONAL CALL for MORAL REVIVAL

Chairman YARMUTH. I now yield five minutes to the Ranking Member, Mr. Womack.

Mr. WOMACK. I thank the Chairman. Good morning, everyone.

Exploring ways to help lift people out of poverty is not new to this Committee. In fact, led by then-Committee Chairman Paul Ryan, budget Republicans have a long history of championing policies and programs that help low-income Americans climb the economic ladder, earn their own success, and escape the cycle of poverty. On this issue we often hear some of our friends across the aisle say that, the bigger the price tag, the better the policy. That may sound good on paper, but in practice it does not achieve the results Americans deserve, especially when it comes to reducing poverty.

In 1964 President Lyndon Johnson declared the war on poverty with a goal of not only alleviating the symptoms of those in poverty, but also preventing poverty altogether. Since then the federal government has directed tens of trillions of dollars towards scores of anti-poverty programs across more than a dozen different agencies. Despite these investments, the poverty rate has only marginally declined. If history is any indicator, more spending, bigger government, and higher taxes—those solutions that have far too often been proposed by some of my friends on the other side of the aisle—are not the tools we need to truly move the needle. Those may address what President Johnson called the symptoms of poverty, but they are not curing it.

According to a recent poll by YouGov, 63 percent of Americans enrolled in some type of anti-poverty program believe the war on poverty is failing. The same poll found that 76 percent of those enrolled in those programs believe the government should focus on creating more opportunities to climb the economic ladder, not increasing government spending.

In fact, adding more dollar signs to our enormous debt will only lead to higher taxes. That often penalizes those who can least afford them, making it even harder to escape the cycle of poverty. I am especially concerned by the proposed tax increases on low-income Americans that many in Congress are considering, including new payroll taxes and energy taxes. They hit the vulnerable the hardest.

So what has paved a pathway out of poverty for low-income Americans? I believe a strong economy, which creates more opportunities to find a job, earn a paycheck, get ahead. Following historic tax cuts and deregulation, families are seeing more jobs. They are seeing bigger paychecks, with average hourly earnings increasing by more than 3 percent, and the unemployment rate has dropped to 3.6 percent, its lowest level in a half-century.

We should be focused on policies that continue this trend, and help more people earn their own success, linking—including linking more anti-poverty programs to employment opportunities. Serving our country has also paved a pathway out of poverty for many Americans. They have been given an education, learned skills that are applicable to business and other fields, they have learned leadership skills, and the value of working in teams. As someone who spent 30 years in uniform in the Arkansas National Guard, and as someone who chairs the Board of Visitors at the United States

Military Academy at West Point, I have seen firsthand how our military has helped improve the lives of young men and women from challenging circumstances.

And I know I am not alone. There are seven veterans and one member currently serving on this Committee: five, including myself on our side of the aisle; three on the Democrat side. And I would also like to take this opportunity to thank them for their service.

Perhaps we can explore this notion of service for individuals and the opportunities made available later in life by the U.S. military as just one component of an anti-poverty program that I think that works.

I also look forward to hearing about the roles of our families and communities, and their—that they are playing and helping reduce poverty, from providing on-the-job training opportunities, to counseling troubled youth, to ensuring young people have access to a quality education, regardless of their zip code.

I don't think there is a person up here who doesn't want to help every American achieve the American Dream. But our success should not be measured by dollars spent or beneficiaries added. It should be measured by how many people we are helping lift permanently out of poverty so they can earn a living, provide a better life for themselves and their families.

And with that, Mr. Chairman, I yield back my time.

[The prepared statement of Steve Womack follows:]

Ranking Member Steve Womack (R-AR) Opening Remarks at Hearing on Lifting Americans Out of Poverty

As Prepared For Delivery

Thank you Chairman Yarmuth.

Exploring ways to help lift people out of poverty is not new to this Committee. In fact, led by then-Committee Chairman Paul Ryan, Budget Republicans have a long history of championing policies and programs that help low-income Americans climb the economic ladder, earn their own success, and escape the cycle of poverty.

On this issue, we often hear some of our friends across the aisle say that the bigger the price tag, the better the policy.

That may sound good on paper, but, in practice, it has not achieved the results Americans deserve -- especially when it comes to reducing poverty.

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Despite these investments, the poverty rate has only marginally declined. If history is any indicator, more spending, bigger government, and higher taxes -- the solutions that have too often been proposed by some of our Democrat colleagues -- are not the tools we need to truly move the needle.

Those may address what President Johnson called the symptoms of poverty, but they certainly aren't curing it. According to a recent poll by YouGov, 63 percent of Americans enrolled in some type of anti-poverty program believe the War on Poverty is failing. The same poll found that 76 percent of those enrolled in these programs believe the government should focus on creating more opportunities to climb the economic ladder -- not increasing government spending.

In fact, adding more dollar signs to our enormous debt will only lead to higher taxes that often penalize those who can least afford them, making it even harder to escape the cycle of poverty. I am especially concerned by the proposed tax increases on low-income Americans that many in this Congress are considering, including new payroll taxes and energy taxes.

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We should be focused on policies that continue this trend and help more people earn their own success, including linking more anti-poverty programs to employment opportunities.

Serving our country has also paved a pathway out of poverty for many Americans. They have been given an education, they have learned skills that are then applicable to business and other fields. And they have learned leadership skills as well as the value of working in teams.

As someone who served in the Arkansas Army National Guard for over 30 years and has been serving as the Chairman of the Board of Visitors at West Point for three terms, I have seen how our military has helped improve the lives of young men and women from challenging circumstances.

And I know I'm not alone. There are seven veterans -- and one Member currently serving -- on this Committee. Five, including myself, on our side of the aisle. Three on the other side of the aisle.

I want to take a brief moment to thank the Members of this Committee who have served our country in uniform.

Perhaps we can explore this notion of service for individuals, and the opportunities made available later in life by the United States military, some more today in this hearing.

I also look forward to hearing about the roles our families and communities are playing in helping reduce poverty, from providing on-the-job training opportunities to counseling troubled youth, to ensuring young children have access to a quality education, regardless of their zip code.

I don't think there is a person up here who doesn't want to help every American achieve the American Dream.

But our success should not be measured by dollars spent or beneficiaries added. It should be measured by how many people we are helping lift permanently out of poverty, so they can earn a living and provide a better life for their families.

With that Mr. Chairman, I yield back.

Chairman YARMUTH. I thank the Ranking Member for his opening remarks. I would now like to welcome the Speaker of the House, Nancy Pelosi, to our hearing today. Her continued dedication to helping the one in five children that live in poverty is what took her from kitchen to Congress, as she likes to say. And America's children have greatly benefitted from having such an advocate and leader in their corner. I am very pleased to now recognize the Speaker of the House, Nancy Pelosi, for her opening remarks.

Speaker PELOSI. I thank you very much, Mr. Chairman, for your—of giving me the opportunity. I thank the bipartisan leadership of the Committee for the unanimous consent for the Speaker to be allowed to participate, to listen to the testimony, and to share a few thoughts with you.

Mr. Chairman, you really—poverty in America, economic realities of struggling families, that being the title, I thank you so much for making this opportunity possible for us to hear. And with all due respect to the distinguished Ranking Member, after listening to his statement, all the more reason we need to hear from our witnesses as to how public policy affects them.

The hearing is distinguished by the testimony of leaders of the Poor People's Campaign. We are grateful for the opportunity to listen and learn from Reverend William Barber, Reverend Dr. Liz Theoharis, and others. I associate myself with your welcome to them all.

Last fall that Poor People's Campaign sent a letter to Congress, calling for a hearing on policy harming America's children. They wrote, "Somebody has been hurting our children, and it has gone on far too long, and we won't be silent anymore." Well, we didn't get that hearing then. We had our own rump hearing. But now, today, thank you, Mr. Chairman, for making this hearing possible.

As the Chairman said, my motivation to be in politics, my why for being in government and politics is the one in five children who lives in poverty in America. I have five—my husband and I have five children, we see what it takes to raise a family, and even under great circumstances there are challenges. And it just bothered me so that one in five children in America go to sleep hungry at night. How could this be in the greatest country that ever existed in the history of the world, that one in five children—at least—lives in poverty in America?

And so we must have public policy that does better. And as the distinguished Ranking Member said, we still have challenges, even though we had a war on poverty. But just think of what the challenge would be if we had not had that war on poverty.

And here we are in the Budget Committee. A budget, a federal budget, should be a statement of our national values. What is important to us as a nation should be reflected in how we allocate our resources. And we have to stand for the education and health, education and well-being of the—all of the American people in the budget we put forth. We must fight for investments in economic justice and human dignity, recognizing, as Dr. King said, that our struggle is for genuine equality, which means economic equality.

Dr. King's words ring with the same resounding moral force today as he said, "What does it profit a man to be able to eat at an integrated lunch counter, if he doesn't earn enough money to

buy a hamburger and a cup of coffee?" These words are echoed in the Poor People's Campaign's moral budget, which states everyone has a right to live.

We thank the Poor People's Campaign for conducting your audit of injustices, the souls of poor folk, which presents a stark reminder of the challenges that remain today. Fifty-one years after Dr. King launched the Poor People's Campaign to fully, finally end poverty, 51 years after workers of every background marched for their dignity, bringing the priorities of America's neediest families to the nation's capital, 51 years later, America is still a land of stunning injustice.

Our work is far from done: 140 million Americans are poor in our country. As Members of Congress we have an urgent moral duty to make good on the promissory note of the rights enshrined in our founding documents. Our nation's founding ideals, liberty and justice for all, can only be fulfilled if we have economic justice led by a government that is in the public interest, not the special interest. And that is why we are grateful for the consideration here of a budget.

Just to remind, education is so central to the economic well-being of America's children and working families. Nothing brings more money to the treasury, nothing brings more money to the treasury than investments in education and early childhood K through 12, higher ed, like post-grad, lifetime learning for our workers. This is the investment that people want to make in their children, that our country must make in our future. And it is an investment that has a return.

Medicare, Medicaid initiatives that have helped meet the needs of America's working families are so important, and should be not—should not be undermined in any budget. And the distinguished Ranking Member mentioned increasing the national debt. We certainly should not have a budget that gives a tax break to the—83 percent of the benefits to the top 1 percent, while adding $2 trillion to the national debt, adding to the debt that will be incurred by our children.

Our children, our children, our children. When people ask what are the three most important issues facing the Congress, I always say the same thing. Our children, our children, our children, their health, their education, the economic success—security of their families, and a safe environment. Environmental justice is so important that we focused on in our last hearing. Environmental justice, clean air, clean water for them to thrive in a world at peace in which they can reach their fulfillment.

And so—and I am proud to be here to offer some element of concern, confident in our commitment to ending poverty in America, led by our distinguished Chair of our Steering Committee, Barbara Lee, a Member of this Budget Committee, confident about what we believe in and what we want to do, humble enough to listen to how public policy has an impact, and to listen to more—newer, fresher ideas, fresh eyes on the subject from where it is most felt.

So we want to again thank the Chairman, and also call upon our Republican colleagues to help us with issues like raising the minimum wage, lowering the cost of prescription drugs, issues like that which raise the paycheck, lower costs to families. In our work we

must be one, coming together in a spirit of dangerous unselfishness.

The Congress cannot succeed in our inside maneuvering without the outside mobilization. We will make our legislation for the good of the American people and our children. That is being rejected by the Senate, too hot for them to handle—by public believing in and having confidence in the public sentiment to make the Senate accountable as well, when it comes to meeting the needs of America's working families, and reducing the level of poverty in our country, and reducing the number of poor people in our country.

Your contribution, intellectual contribution, to us today is immeasurable. We are grateful to you for it, but, more importantly, for the work that you do every day to meet the needs of America's working families, especially those on the border line, or live in poverty on the border line of being poor in our country. It is an injustice. We must address it, and we must address it in a way that is respectful of the dignity and worth of every person, the spark of divinity that exists in every person, so that we are respectful of other views.

And Mr. Womack, I say to you I am guided by the words of our founder, "E pluribus unum," from many, one. They couldn't imagine how many we would be, or how different we would be from each other. But we knew that, in striving for solutions, we had to be unifying and not dividing. And it is in that spirit of 'dangerous unselfishness' and welcome our guests.

Thank you, Mr. Yarmuth, Mr. Chairman, and Mr. Womack, for providing us with this opportunity. Thank you.

[The prepared statement of Nancy Pelosi follows:]

Speaker Nancy Pelosi
House Committee on the Budget Hearing
Poverty in America: Economic Realities
of Struggling Families
Opening Statement
June 19, 2019

I thank you very much, Mr. Chairman, for giving me the opportunity.

I thank the bipartisan leadership of this Committee for the unanimous consent for the Speaker to be allowed to participate, to listen to the testimony and to share a few thoughts with you.

Mr. Chairman, you really – 'Poverty in America: the Economic Realities of Struggling Families' – that being the title – I thank you so much for making this opportunity available for us to hear.

And, with all due respect to the distinguished Ranking Member, after listening to his opening statement, all the more reason we need to hear from our witnesses as to how public policy affects them.

The hearing is distinguished by the testimony of leaders of the Poor People's Campaign. We are grateful for the opportunity to listen and learn from Reverend Dr. William Barber, Reverend Dr. Liz Theoharris and others.

I associate myself with your welcome to them all.

Last fall, the Poor People's Campaign sent a letter to Congress calling for a hearing on policies harming America's children. They wrote, 'Somebody has been hurting our children and has gone on far too long and we won't be silent anymore.'

We didn't get that hearing then – we had our own rump hearing – but now, today, thank you Mr. Chairman for making this hearing possible.

As the Chairman said, my motivation for being in politics – my why for being in government and politics – is that one-in-five children lives in poverty in America.

I have – my husband and I have five children. We see what it takes to raise a family and, even under great circumstances, there are challenges and it just bothered me so that one-in-five children go to bed hungry. How could this be in the greatest country that ever existed in the history of the world that one-in-five children, at least, lives in poverty in America?

And so, we must have public policy that does better. And, as the distinguished Ranking Member said, we still have challenges even though we had a War on Poverty, but just think what the challenge would be if we had not had that War on Poverty.

And here we are in the Budget Committee. A federal budget should be a statement of our national values. What is important to us as a nation should be reflected in how we allocate our resources, and we have to stand for the health, education and well-being of all of the American people in the budget we put forth.

We must fight for investments in economic justice and human dignity, recognizing as Dr. King did, that 'our struggle is for genuine equality, which means economic equality.' Dr. King's words ring with the same resounding moral force today: 'What does it profit a man to be able to eat at an integrated lunch counter if he doesn't earn enough money to buy a hamburger and a cup of coffee?'

Those words are echoed in the Poor People's Campaign's Moral Budget, which states, 'Everyone has the right to live.'

We thank the Poor People's Campaign for conducting their audit of injustices, 'The Souls of Poor Folk,' which presents a stark reminder of the challenges that remain today.

Fifty-one years after Dr. King launched a Poor People's Campaign to fully, finally end poverty; fifty-one years after workers of every background marched for their dignity, bringing the priorities of America's neediest families to the nation's capital; fifty-one years later, America is still a land of stunning injustice.

Our work is far from done, when 140 million Americans live in poverty. Our work is far from done, when 140 million Americans are poor in our country.

As Members of Congress, we have an urgent moral duty to make good on the promissory note of the rights enshrined in our Founding documents.

Our nation's Founding ideals – 'liberty and justice for all' – can only be fulfilled if we have economic justice, led by a government that is in the public interest, not the special interests.

And that is why we are grateful for the consideration here of a budget, just to remind, education is so central to the economic well-being of America's children and working families. Nothing brings more money to the Treasury – nothing brings more money to the Treasury than investments in education, early childhood, K through 12, higher-ed, post-grad lifetime learning for our workers.

This is the investment that people want to make in their children – that our country must make in our future – and it is an investment that has a return. Medicare, Medicaid, initiatives that have helped meet the needs of America's working families are so important and should not be undermined in any budget.

The distinguished Ranking Member mentioned increasing the national debt. We certainly should not have a budget that gives a tax break to the – 83 percent of the benefits to the top one percent while adding two trillion dollars to the national debt – adding to the debt that will be incurred by our children.

Our children. Our children. Our children. When people ask what are the three most important issues facing the Congress, I always say the same thing: our children, our children, our children. Their health, their education, the economic success, security of their families and a safe environment – environmental justice, so important that we focused on in our last hearing, environmental justice – clean air, clean water for them to thrive and a world at peace, in which they can reach their fulfillment.

And so, I am proud to be here to offer some element of concern, confident in our commitment to ending poverty in America, led by our distinguished Chair of our Committee, Barbara Lee, Member of this Budget Committee. Confident about what we believe in and what we want to do, humble enough to listen to how public policy has an impact, and to listen to more, newer, fresher ideas – fresh eyes on the subject, from where it is most felt.

So, we want to, again, thank the Chairman and also call upon our Republican colleagues to help us with raising the minimum wage, lowering the cost of prescription drugs – issues like that, which raise the paycheck, lower the costs for family.

In our work, we must be one, coming together in a spirit of 'unselfishness.' The Congress cannot succeed in our inside maneuvering without your outside mobilization.

We will make our legislation for the good of the American people and our children that is being rejected by the Senate, too hot for them to handle by the public – believing in and having confidence in the public sentiment to make the Senate accountable, as well, when it comes to meeting the needs of America's working families and reducing the level of poverty in our country and reducing the number of poor people in our country.

Your contribution – intellectual contribution – to us today is immeasurable. I am grateful to you for it but, more importantly, for the work you do every day to meet the needs of America's working families, especially those who are on the borderline, live in poverty or on the border line of being poor in our country.

It is an injustice. We must address it and we must address it in a way that is respectful of the dignity and worth of every person – the spark of divinity that exists in every person – so that we are respectful of other views.

And, Mr. Womack, I say to you that I am guided by the words of our Founders, 'E Pluribus Unum, out of many, one.' They couldn't have imaged how many we would be or how different we would be from each other, but we know, that in striving for solutions, we have to be unifying and not dividing. And, it is in that spirit of 'dangerous unselfishness' that I welcome our guests.

Thank you Mr. Yarmuth, Mr. Chairman, and Mr. Womack for providing us with this opportunity.

Chairman YARMUTH. Thank you, Madam Speaker, for your remarks. In the interest of time, if any other member has an opening statement, you may submit that statement in writing for the record.

Once again, I would like to thank our witnesses for being here this morning. The Committee has received your written statements. They will be made part of the formal hearing record. Each of you will have five minutes to testify.

First we will recognize Dr. Barber.

You may begin when you are ready. You are recognized for five minutes.

STATEMENT OF REV. DR. WILLIAM J. BARBER, II, POOR PEOPLE'S CAMPAIGN; REV. DR. LIZ THEOHARIS, POOR PEOPLE'S CAMPAIGN; CALLIE GREER, POOR PEOPLE'S CAMPAIGN; KENIA ALCOCER, POOR PEOPLE'S CAMPAIGN; CHRISTOPHER OVERFELT, POOR PEOPLE'S CAMPAIGN; SAVANNAH KINSEY, POOR PEOPLE'S CAMPAIGN; PASTOR LATASHA FIELDS, CHRISTIAN HOME EDUCATORS' SUPPORT SYSTEM (CHESS); AND PASTOR DAVID MAHAN, FRONTLINE YOUTH COMMUNICATIONS

STATEMENT OF REV. DR. WILLIAM J. BARBER, II

Rev. Dr. BARBER. Chairman Yarmuth and Ranking Member Womack and Members of this Committee, I am Reverend Dr. William J. Barber, II, from North Carolina. I am the son of a Navy man who gave first-class service for—first-class blood and service for second-class citizenship. I am here as part African-American, part Tuscaroran, and part white, so I am diversity looking directly at you.

I am also speaking here today on the thousands of people of every race, creed, and color, gender, and sexuality in the 40 states and District of Columbia that are part of the Poor People's Campaign, a national call for a moral revival.

I want it to be acknowledged today that I—we are here on the 150th year anniversary of Juneteenth, when slaves finally found out that the Emancipation Proclamation had been written. And here, 51 years after the Poor People's Campaign, it is time for Americans to find out the truth about poverty for all Americans.

The growing gap between the rich and the poor in this country is a direct result of policy decisions, not the immorality and the lack of personal work of poor people, policy decisions made here in Washington and in our state capitals. But those decisions have been supported by well-funded myths. Corporate interests have sent their representatives here to preach personal responsibility and the danger of government intervention. But the truth is we must take a collective responsibility for the inequality, the unjust laws and systems created. God did not make us poor. Greed and abuse and power make us poor.

In this hearing room you are seated here as Members of Congress on the left and on the right, demanding—on party affiliation. Our campaign agenda is neither left nor right. It aims to challenge both sides of the aisle. It aims to reach toward the moral high ground. The agenda is rooted in the religious values of the prophet

of Isaiah, that every legislator ought to hear again, since you put your hands on the Bible to swear yourselves into office. Woe unto those who legislate evil and rob the poor of their rights and make women and children their prey.

You should hear what Jesus said, not to churches and personal charity, but to nations: "When I was hungry, did you feed me? When I was a stranger, an immigrant, did you receive me? When I was sick, did you care for me?" Because every nation will be judged by God for how it treats the least of these.

Our religious values are—call us—and our constitutional values, which call us to the issue of justice, establishing justice, to put the marginalized and the poor at the center of our public policy.

We began three years ago. We have been all over this country, from Kansas, to Arizona, to eastern Kentucky, to eastern North Carolina. We have met with Republicans, and Democrats, and blacks, and whites, and gay, and straight, and all of them are saying the 140 million—we first must get the numbers right, it is 140 million poor and low-wealth people in this country. There are 140 million: 39 million children, 21 million seniors, 65.8 million men, 74 million women, 26 million black people, 38 million Latinx people, 8 million Asian people, 2.4 native and indigenous people, and 66 million white people, and they are not poor because they are lazy or because they don't engage in personal responsibility.

They are poor because of the systemic realities that connect: systemic racism, systemic poverty, ecological devastation, the war economy, and the false moral narratives that suggest that somehow you can ignore poverty, ignore poverty.

We must count 43.5 percent of our nation. No nation can survive when 43.5 percent of its people are poor and low wealth and that is not at the center of our public discussions. Sixty-two million people who work every day for less than a living wage, 37 million people without health care, even with the Affordable Care Act. And I am from the South, where 50—where one-third of all the poor people live, and it is almost even, black and white. Fifty-some million poor people and low-income people, and 13 million people uninsured.

Poverty is a moral crisis. The federal government, state governments, we do not need more tax cuts for the rich. We do not need more missiles. We need to hear and see the voices and faces of the poverty. We must end this systemic policy violence against poor and low-wealth people.

This is the moral mandate for our nation at this moment. The work of reconstructing America is not done, and we must do it together, and nothing less than the promise of our democracy is at stake. To not deal with poverty is constitutionally inconsistent, it is economically insane, and it is morally, morally, morally wrong.

Thank you.

[The prepared statement of Rev. Dr. William J. Barber follows:]

Statement of
The Rev. Dr. William J. Barber II
Co-Chair, Poor People's Campaign: A National Call for Moral Revival
President, Repairers of the Breach
Pastor Greenleaf Christian Church
Distinguished Visiting Professor of Public Theology and Public Policy Union Seminary New York, New York

before the
Budget Committee
United States House of Representatives

"Poverty in America: Economic Realities of Struggling Families"

JUNE 19, 2019

Chairman Yarmuth, Ranking Member Womack, and Members of the Committee, I am speaking here today on behalf of the thousands of people of every race, creed, color, gender and sexuality in 40 states and the District of Columbia who are part of the Poor People's Campaign: A National Call for Moral Revival.

In this hearing room, you are seated as Members of Congress on the left or the right, depending on party affiliation. Our campaign agenda is neither left nor right. It aims to reach toward a moral high ground. This agenda is rooted in the religious values of the prophet Isaiah, who says, "Woe unto you who legislate evil and rob the poor of their rights and make women and children their prey," and Matthew 25, where Jesus makes clear that every nation will be judged by how it cares for the poor, the hungry, the sick, the immigrant and the least of these.

Our religious values call us to care for the marginalized first, and our Constitutional values unite us from many traditions, religious and secular, to establish justice and promote the general welfare.

We began three years ago with a moral revival tour and then, on the 50th anniversary of the 1968 Poor People's Campaign last year, we committed together to take up the unfinished business of reconstructing America. We have revived our forbearers' effort to root out the interlocking injustices of systemic racism (including racist voter suppression, re-segregation of schools, anti-immigrant policies and denial of our indigenous First Nation people's rights), systemic poverty, ecological devastation, the war economy and extreme militarism. We know we cannot get rid of any one of these evils without getting rid of the others.

The Audit is based on the testimonies of hundreds of people of every race, creed, color, religion, gender and sexual orientation. These are the people we have met who are struggling to survive amidst these interlocking injustices in America today.

In Michigan we met with mothers who can buy unleaded gas and unleaded paint but can't get unleaded water for their children.

In Harlan County, Kentucky, Black and White coal miners told us of their struggles with unemployment and crushing medical bills for diseases they got doing their job.

In Kansas, we met farmers who are struggling under the burden of rural poverty and lack of health care.

In Arizona, we connected with native Apaches who are facing the poisoning of their water and the desecration of their grave sites by corporate profiteers.

In my home state of North Carolina, we have suffered attacks on voting rights and racist gerrymandering that even our highest courts have described as "surgical racism."

All over the South we have found empirically that the same states that pass racialized voters suppression are also high-poverty, low-wage, and uninsured. And we have seen with our own eyes that white Americans make up the largest numbers of those who are suffering.

In Gray's Harbor, Washington, I spoke to homeless military veterans suffering both the effects of our endless wars and attacks by police and militia groups.

What we have seen conflicts with the economic headlines. The stock market and the GDP do not reflect people's lived experiences. Traditional poverty measures do not capture the vulnerability of those who easily fall below the poverty line whenever they face a financial emergency.

If you count all those who are poor or low-income, more than 140 million people, or 43.5% of our nation, are struggling to survive in the richest nation in the world.[1] The Federal Reserve similarly found that nearly 40 percent of all Americans would struggle to cover an unexpected $400 expense.[2]

Poverty is a moral crisis in America, and we must see that it touches all of us. While the highest percentage concentration is among people of color, white people made up the largest number of poor and low-income people at more than 66 million.

These are just a few indicators of the persistence of the evils addressed by the 1968 Poor People's Campaign. We partnered with the Institute for Policy Studies to produce an extensive

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[1] Based on the supplemental poverty measure calculated by the U.S. Census Bureau, which adjusts traditional poverty statistics to account for important factors such as some forms of federal assistance, geographic differences in cost of living, and out of pocket costs for food, housing, clothing, and utilities. Under this alternative measure, a family of four with two adults and two children who rented their home was in poverty if they made less than $27,005 in 2017. Individuals and households living at 100-200% of the poverty threshold are technically categorized as low-income. About 140 million people, or 43% of the U.S. population, have annual income less than twice the SPM.

[2] U.S. Federal Reserve, "Report on the Economic Well-Being of U.S. Households in 2018, " May 2019. https://www.federalreserve.gov/publications/files/2018-report-economic-well-being-us-households-201905.pdf

audit of these injustices entitled, "The Souls of Poor Folk: Auditing America 50 years after the Poor People's Campaign."[3].

The challenge you face, as lawmakers with power over our nation's budget, is as critical as the one faced by your predecessors during Reconstruction. In some disturbing ways, a map of inequality in the United States today actually looks similar to the post-Civil War period.

The federal government has a responsibility to push our nation forward, together. We do not need more tax cuts for the rich. We do not need more missiles. We need to hear and see the voices and faces of poverty. We must end systemic policy violence against poor people and invest in the future of our people and planet.

This is a moral mandate for this moment in our nation. The work of Reconstruction is not done. We must do it together. Nothing less than the promise of democracy is at stake.

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[3] Institute for Policy Studies, Poor People's Campaign, Repairers of the Breach, and the Kairos Center, "The Souls of Poor Folk: Auditing America 50 Years After The Poor People's Campaign Challenged Racism, Poverty, The War Economy/Militarism, And Our National Morality," April 2018. https://ips-dc.org/souls-of-poor-folks/

Chairman YARMUTH. Thank you for your testimony.

I now recognize Reverend Dr. Theoharis for five minutes.

STATEMENT OF REV. DR. LIZ THEOHARIS

Rev. Dr. THEOHARIS. Thank you, Chairman Yarmuth, Ranking Member Womack, and Members of this Committee for this opportunity to speak with you today.

I come to you this morning an ordained minister, a biblical scholar, and someone who has been organizing amongst the poor and homeless for over 25 years, first with the National Union of the Homeless, the National Welfare Rights Union, and today, proudly, with the Poor People's Campaign, a national call for moral revival.

Over the past years the Poor People's Campaign has been building committees of poor and dispossessed people, moral leaders, activists, advocates in more than 40 states across this country. We have met with tens of thousands, hundreds of thousands of people, and chronicled their demands for a better society. We have spent time in my home state of Wisconsin, where the safety net has been shredded over the past decade. Families go without water and heat, even in the cold winter.

We have been in Crossett, Arkansas, where a whole town has been poisoned by a paper plant. Grandparents have to meet their grandkids 80 miles from home, just to make sure they are not exposed to those toxins.

We have been in Pacoima, California, where one in four children in the Telfair Elementary School are homeless, are without a home, and Altoona, Pennsylvania, where children, young children, babies, are being taken away from their parents who love them, who care for them, who want to raise them, because they can't pay some of the highest water bills in the country.

Together we developed a moral agenda, a moral agenda that calls for the elimination of systemic racism, and poverty, ecological devastation, and militarism in the war economy. It calls for a challenge of this distorted moral narrative that blames the poor for our poverty, tries to pit us against each other, and feeds us the lie that there isn't enough when we have beautiful, God-given abundance in this world.

You on this Budget Committee know that talk is cheap. Ultimately, it is our deeds that matter. Budgets reflect our deepest values, our most important priorities. And we are here to say this morning that our nation's budget, as it now stands, reflects the values of the rich, of large corporations, of military contractors at the expense of poor, suffering children, families.

We are here to say that we need a moral revolution of values that places the needs and demands of the poor and at the—of the planet at the heart of the budget. This will create more jobs, build up our infrastructure, strengthen our economy, and protect our resources today and for future generations. When you lift from the bottom, everybody rises.

So I know this from economics and social science. I have also read it in the Bible. Deuteronomy says if you forgive debts, and you increase programs that lift up the poor, if you pay your workers a living wage, and you release those who are oppressed, if you lend

out money knowing you may not get paid back, your whole society will be lifted up. Your whole nation will flourish.

Poverty is people's creation. It is their creation of immoral budgets and unjust policies. And we can choose to end it. The poor will only be with us as long as we are disobedient to God and to the founding creed of this nation.

Thank you for listening.

[The prepared statement of Rev. Dr. Liz Theoharis follows:]

Statement of
The Rev. Dr. Liz Theoharis
Co-Chair, Poor People's Campaign: A National Call for Moral Revival
Director, Kairos Center

before the
Budget Committee
United States House of Representatives

"Poverty in America: Economic Realities of Struggling Families"

June 19, 2019

Thank you, Chairman Yarmuth, Ranking Member Womack and Members of this Committee, for this opportunity to speak here today.

I come to you this morning as an ordained minister in the Presbyterian Church, a biblical scholar, and someone who has been organizing with the poor and homeless for the past 25 years, starting with the National Union of the Homeless and the National Welfare Rights Union, and today with the *Poor People's Campaign: A National Call for Moral Revival.*

I come to this work not just because it's right but because it's necessary. I have been without health care, have struggled with inadequate housing, have worked low-wage jobs throughout my life. And as a mother of two children who go to a public school in New York City where 65% of the kids are living below the poverty line, with family and friends who rely on public health insurance, and surrounded by many in my community who simply can't make ends meet, I believe we can come together and make life better for our children.

Over the past two and a half years, the *Poor People's Campaign* has built coordinating committees of poor and dispossessed people, moral leaders, advocates and activists in 40 states. We have met with tens of thousands of people and chronicled their demands for a better society.

We have spent time in:

my home state of Wisconsin, where the safety net has been shredded over the past decade, and families are going without heat and electricity even in cold winters.

Lowndes County, Alabama, where families have no access to sanitation services and are living with raw sewage in their yards, precipitating a health care crisis where tropical diseases are showing up in the rural south;

Crossett, Arkansas, where a whole town was poisoned by a paper, chemical and plywood plant and grandparents meet their grandchildren 80 miles outside of town to protect them from the toxins;

It includes Pacoima, California, where one in four children at Telfair elementary school are homeless;

and Altoona, Pennsylvania, where children are being taken away from their parents because they can't afford to pay their water, utilities or rent.

Drawing from this deep engagement, we together developed a Moral Agenda to eliminate the evils of systemic racism, poverty, ecological devastation, the war economy and militarism. These interrelated injustices have persisted — and in many cases grown even worse — over the past 50 years, since the original Poor People's Campaign in 1968.[4]

Many people tell us we are being far too ambitious — that our demands are politically impossible and too expensive. But this is just not true. The benefits of our Agenda by far outweigh the costs; in fact, it is the cost of continuing immoral policies and misguided priorities that we cannot afford.

You on this Committee know that talk is cheap, ultimately it is our deeds that matter and come with a cost. Budgets reflect our deepest values and priorities. And we are here to say that our nation's budget as it now stands reflects the values of the rich, large corporations, and military contractors at the expense of the poor. We are here to say we need a moral revolution of values that instead places the needs and demands of the poor and the planet at the heart of our budget. This will create more jobs, build up our infrastructure, strengthen our economy, and protect our resources for future generations. This will redound to the benefit of all, instead of the few. When you lift from the bottom, everybody rises.

I know this from economics and social science but also I've read it in the Bible. In Deuteronomy it says that if you forgive debts, increase programs the lift up the poor, pay your workers a living wage, release those who are oppressed, and lend out money knowing you will not get paid back, then your whole society will flourish. God does not ordain poverty. The poor will only be with us as long as we are disobedient to God. Poverty is people's creation, it is the creation of immoral budgets and unjust policies and we can choose to end it.

A few examples from the "Poor People's Moral Budget," a new report we have co-published with the Institute for Policy Studies, demonstrate that:[5]

Child poverty costs our country $700 million per year in long-term health, productivity, and other problems;[6]

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[4] Institute for Policy Studies, Poor People's Campaign, Repairers of the Breach, and the Kairos Center, "The Souls of Poor Folk: Auditing America 50 Years After The Poor People's Campaign Challenged Racism, Poverty, The War Economy/Militarism, And Our National Morality," April 2018. https://ips-dc.org/souls-of-poor-folks/

[5] Institute for Policy Studies and the Poor People's Campaign, "Poor People's Moral Budget: Everybody Has the Right to Live," June 17, 2019. ips-dc.org/report-moral-budget

[6] Michael McLaughlin and Mark R. Rank, "Estimating the Economic Cost of Childhood Poverty in the United States," Social Work Research 42, no. 2 (June 2018): 73, https://doi.org/10.1093/swr/svy007.

Voter suppression has cost just one state at least $385 million per year in administrative and court costs;

Failing to address climate change could cost up to 15.7% of GDP per year, wiping out the equivalent of $3.3 trillion from our economy;

And our endless wars and 800 military bases cost hundreds of billions of taxpayer dollars and do not make our world any safer.

Instead, we could cut $350 billion per year from the Pentagon budget to spend on real security at home — and we'd still have a larger military budget than China, Russia, and Iran combined.

We could raise the federal minimum wage to a living wage and experience a ripple effect as that money is circulated back through the economy, faster and further than the billions Congress gave the rich and corporations through tax cuts;

We could gain $886 billion in estimated annual revenue from fair taxes on the wealthy, corporations, and Wall Street;

We could invest in public infrastructure and create more jobs outside of the military that could speed a clean energy transition that would be good for our country and the planet;[7]

We could provide health care, housing, and education for everyone in this country.

In the richest country in the world, we have abundant resources. The problem is our public policies have funneled too much to too few.

We are building a Campaign among the poor to make sure this truth is heard all across this country and today we share it with you. The Poor People's Campaign is crying out all across the country that somebody has been hurting our people and it has gone on far too long and we won't be silent anymore.

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[7] Solomon, Hsiang et al., "Estimating Economic Damage from Climate Change in the United States," Science 356, no. 6345, (2017): 1362-1369, https://doi.org/10.1126/science.aal4369.

Chairman YARMUTH. Thank you for your testimony.

I now recognize Ms. Callie Greer for five minutes.

STATEMENT OF CALLIE GREER

Ms. GREER. Thank you, Members of the Committee. Thank you, Committee, for having me here today. My name is Callie Greer. I am a mother of five. And I have lost two of my children for unnecessary reasons. I am here to talk about Venus.

Venus should be here with us today. So Venus started complaining about a little knot she had on her breast. And so she wasn't employed, and didn't have any insurance. She started—she did what we do in our community, she started visiting an emergency room. And so she would go, and they would just send her out, and she kept complaining about the knot, and they didn't do anything for her for a while.

Then one night she went to the emergency room, and the doctor walked in the room, and he is like, "What is that smell?"

And Venus said, "It is my breast. It is rottening (sic)."

So that is when Venus got some help. She was diagnosed with stage four cancer, and was sent to the counsel center, and she had a radical mastectomy, and went into chemo and radiation. For a while Venus was in remission. About six months later she went back, and the cancer was everywhere. She had spots on her lung, on bones, on her liver.

And so Venus had to have a lot of medications and treatments from the doctors. But everything Venus had to—was—needed, she had to be approved for it. She had to wait to be approved for the medication. So she would wait weeks and sometimes months to get things that she needed.

Well, one of the hardest parts of that was for my husband. When Venus was waiting for oxygen, she had to wait about two months for the oxygen. But during that time they had—around the house, yes, so that was real hard on him, to have to carry his baby around the house. And every time he picked her up she was lighter and lighter and lighter.

So one day Venus—one Friday Venus came to sit in the chair of the living room, and she said, "Mama," she said, "My head hurts me so bad I can't see."

So we went—we took her to the counsel center, and they rushed her to the emergency room. And she had been waiting on a CAT scan that she hadn't gotten. So when we got her there she lapsed into a coma. She got the CAT scan. She had two tumors in her head, and one had ruptured. She was brain dead.

So—yes. Where I live we can't just get a mammogram. You have to have a prescription. So since she didn't have a doctor, she couldn't get the mammogram. But if she had had a doctor, if she had, Venus would be here with us.

How much would you pay to have your baby saved? You got a dollar sign out of the top of your head? Got a number, how much you—because Venus should be here. She should not—I should not be here. So, since she is not here, I am here for her. And I am here for the other 140 million people that are struggling and bearing our babies because they don't have health care insurance, something that we shouldn't have to ask for.

We shouldn't have to ask for this, something that you wouldn't even take this job if couldn't get. We shouldn't have to ask for this. It is a human right. We shouldn't be bearing our babies like this.

I am a little off-script, but I just wanted to let you know that I am here with the Poor People's Campaign, and I am fighting this fight. And I am representing 140 million people today, 140 million. And we are here. We ain't going nowhere. Thank you.

[The prepared statement of Callie Greer follows:]

Statement of Callie Greer
Community Organizer

before the
Budget Committee
United States House of Representatives

"Poverty in America: Economic Realities of Struggling Families"

June 19, 2019

Statement of Callie Greer
National Spokesperson for the Poor People's Campaign

before the
Budget Committee
United States House of Representatives

JUNE 19, 2019

Thank you to the Members of the Committee for having me here today. My name is Callie Greer, I'm a mother of five, and I've lost two of my children for unnecessary reasons. I'm here today to talk about my daughter, Venus, who should still be here with us today.

So Venus started out complaining about a little knot in her breast. She was unemployed and didn't have insurance. So what we did what we do in our community when we are sick and don't have health insurance, we go to the emergency room. They kept giving her medicine and sending her out. They wouldn't give her a referral for a mammogram.

After several ER visits, a doctor asked: "What's that smell?" Venus replied, "It's my breast – it's rotting." That's when they finally sent her to the cancer center.

She was diagnosed with Stage 4 breast cancer, and had a radical mastectomy, chemo, and radiation.

For about six months it seemed like it was better but soon she had spots on her lungs, her liver, and her bones. It was just everywhere.

Every time the doctor ordered something for her treatment, Venus had to wait weeks or months to get approval – even though she was in the fourth stage of cancer. When she started getting really bad headaches, she asked for a CAT scan. But they told her to wait, even though she was in the late stages of her life. She kept having to wait.

The worst time was when she had to wait for the oxygen tank. My husband would carry her back and forth from the bedroom to the bathroom. She was trying to breathe and she just panicked.

One day, her head hurt so badly she couldn't see. We rushed her to the emergency room, where she lapsed into a coma. It took that coma for Venus to get the CAT scan she had been asking for. It revealed two tumors in her head, and one had ruptured. Venus died in my arms.

Venus should not be dead. Willful and deliberate policy violence killed Venus. Breast cancer has a high survival rate if it's caught early.[15] But Alabama is one of the 14 states that refused to expand Medicaid under the Affordable Care Act. That kept Venus without insurance, and kept her cancer undetected.

How much would you spend to save your baby? The federal cost of expanding Medicaid in those 14 states would be about $25 billion in the first year.[16] That's about the same amount the Pentagon hands Boeing every year.

The military contracts for just one company could be funding insurance for poor and low-income people in 14 states. You could change millions of lives. We could save as much as $310 billion a year and still cover every American with single-payer healthcare.[17]

But I know that those billions will never bring Venus back. The numbers are important, but they're not important to me. What's more important are the other folks who are dying for the lack of something humans should have without fighting for. And if I don't fight for the living, what's the use?

There's nothing else I can do for Venus. I'll fight for other people's children because she's already gone. I can tell her story. But I won't waste my pain. I'm transforming it to build a moral movement with my sisters and brothers in this Poor People's Campaign. We've all got something that we've got to fight against, and we're united together to take on the interlocking injustices that hurt us all.

I'm joining the poor people in Lowndes County, Alabama, where a lack of public sewage infrastructure caused hookworm to reappear. I'm joining the people in Grays Harbor County, Washington, who say incarceration shouldn't be the industry fueling their economy. I'm joining the people across the country fighting for the right to affordable housing and a living wage.

I'm fighting alongside a group of people in this all-inclusive fusion movement, because when one of us wins, we all win.

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[15] "Survival Rates for Breast Cancer," American Cancer Society, accessed June 11, 2019, https://www.cancer.org/cancer/breast-cancer/understanding-a-breast-cancer-diagnosis/breast-cancer-survival-rates.html.

[16] "Spending by Transaction," USA Spending, accessed May 22, 2019, https://www.usaspending.gov/#/keyword_search/Boeing.

[17] Robert Pollin et al., "Economic Analysis of Medicare for All," Political Economy Research Institute, November 30, 2018, https://www.peri.umass.edu/publication/item/1127-economic-analysis-of-medicare-for-all.

Chairman YARMUTH. Thank you, Ms. Greer.

I now recognize Ms. Alcocer for five minutes.

STATEMENT OF KENIA ALCOCER

Ms. ALCOCER. Thank you, Members of the Committee for this opportunity. My name is Kenia Alcocer.

I came to this country from Guerrero—Acapulco Guerrero, Mexico as a small child, because my mother was escaping poverty. She wanted to give me and my sisters a better life, and she worked very, very hard for it, sometimes working two to three jobs at a time. She was a cook in two restaurants, and was a caretaker for an elderly family, an elderly couple. When she would lose a job she would do anything to make sure that we were provided for. She was even a street vendor at times.

Families like mine are very common and have many challenges. Because of poverty and systemic racism, families who are undocumented often have to do multiple jobs, get paid under the table, and often that comes with discrimination and mistreatment. To get by, people in our community have to create survival methods, such as getting together to share meals, taking care of each other's children, and creating a community around us to make sure that we have safety nets.

Today I have come from east Los Angeles because I must fight to advocate for my daughter, all children in my community. No parent should live with the fear of having their children be taken away from them. I sometimes have that fear that immigration officers might come and take me away, and that my child will be ripped from my arms. I fight for the day when no child has to worry about clean water, a good education, or health care.

As Members of the Budget Committee, you have tremendous power to shift U.S. priorities in ways that it would help 140 million poor and low-income people, and for them to have better lives.

You could decide, for example, that it is more important to put children into Head Start than into detention centers. Last year, one of the corporations that operate detention centers got $234 million to buy beds for children. With that money you could have found Head Start for more than 26,000 children.

One policy gives children lifelong benefits; the other one destroys lives. In fact, we have had five children die in detention centers this year. Thousands are being traumatized. You could decide that it is more important to send children to college than to send ICE agents to raid workplaces and separate families. Many poor people like me would like to go to college, but we know that there is not enough financial support, even though we know that the benefits of public investment in higher education far outweighs the cost.

Meanwhile, the government has had no trouble finding money to stop people from pursuing the right to live with dignity and humanity. The United States spends more money, eight times more money, on immigration deportation and border policies per year now than it did in 1976.

President Trump would like to spend tens of billions of dollars on a border wall. He claims immigrants are an economic burden, that we steal jobs, and public assistance money. The exact opposite is true. The Congressional Budget Office found that, if the United

States accepted more immigrants, it would create—and created a path to a legal status, the benefits would outweigh the costs by nearly $20 billion a year.

Immigrants contribute to the society every day. They work in your communities. They are the gardeners that are mowing your lawn, the cooks, like my mother, that are preparing your food, the farm workers who are picking your fruits and vegetables, the nannies who are raising your children. Many of us have been forced to become leaders in our communities to advocate for our rights and to fight to have a life that we are not just surviving through, but that we are able to live through with dignity.

I am co-director of Union de Vecinos, and I am the Chair of the California Poor People's Campaign, a national call for moral revival. And we are joining a larger community, a community of poor and dispossessed across this country that are yelling and screaming at you. We are the Poor People's Campaign, a national call for moral revival, and we need you.

You have been elected to guide this nation. And today we are here to tell you that we need you to end this war economy. You hold in your hand not just the power, but the lives of millions of poor people.

My mother crossed a desert to give me a life with dignity and basic human needs: a home, food, and education. I will continue to fight to make sure everybody lives without poverty, systemic racism, ecological devastation, and a violent war economy. And I hope you will, too. Thank you.

[The prepared statement of Kenia Alcocer follows:]

Statement of Kenia Alcocer, Co-Director and Organizer of Union de Vecinos
and Co-Chair of the California Poor People's Campaign

before the
Budget Committee
United States House of Representatives

"Poverty in America: Economic Realities of Struggling Families"

June 19, 2019

Thank you, Members of the Committee for this opportunity. My name is Kenia Alcocer.

I came to this country from Acapulco, Mexico as a small child because my mother was escaping poverty and wanted to give me and my sisters a better life. She worked hard to make sure we had food on our table and a roof over our heads, often doing two and three jobs at a time. She was a cook at two restaurants and a caretaker for an elderly couple. When she would lose a job she would do any kind of work, even as a street vendor.

Families like ours are very common and we face many challenges. Because of poverty and systemic racism, families who are undocumented must work multiple jobs and get paid under the table, and that often comes with discrimination on the job and mistreatment. To get by, people in our community also create survival methods, such as getting together with neighbors to share meals or take care of each other's kids.

Today I've come here from my home in Los Angeles because I must fight and advocate for my daughter, all children, and my community. No parent should live in fear, like I do sometimes, of immigration officials one day coming and ripping my child from my arms. And I dream of a day when no child has to worry about having clean water, a good education, or health care.

As Members of the Budget Committee, you have tremendous power to shift U.S. priorities in ways that would help 140 million poor and low-income people to have better lives.

You could decide, for example, that it's more important to put children into Head Start than into detention centers. Last year, one of the corporations that operate detention centers got $234 million to buy beds for children.[8] With that money, you could fund Head Start for more than 26,000 children.[9] One policy gives children lifelong benefits. The other destroys lives. In fact, five migrant children have died in detention this year.[10] Thousands more will be traumatized.

You could decide that it's more important to send kids to college than to send more ICE agents to raid workplaces. Many poor people like me would like to go to college but there's not enough

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[8] Deniz Cam, "One in Six Migrant Children in the U.S. are Staying at a Shelter Operated By a Private Equity Tycoon," Forbes, April 10, 2019, https://www.forbes.com/sites/denizcam/2019/04/10/one-in-six-migrant-children-inthe-us-are-staying-at-a-shelter-operated-by-a-private-equity-tycoon/#722d081e687e

[9] National Priorities Project, https://www.nationalpriorities.org/interactive-data/trade-offs/

[10] Associated Press, https://www.apnews.com/5a49d65213b54043825acc282830b139

financial support – even though the benefits of public investment in higher education far outweigh the costs.[11]

Meanwhile, the government has had no trouble finding money to stop people from pursuing their right to live with dignity and humanity. The United States spends more than eight times as much on immigration, deportation, and border policies per year now as it did in 1976.[12]

President Trump would like to spend tens of billions more on a border wall.[13] He claims immigrants are an economic a burden — that we steal jobs and public assistance money. The exact opposite is true. The Congressional Budget Office found that if the United States accepted more immigrants and created a path for more undocumented people to get legal status, the benefits would outweigh the costs by nearly $20 billion per year.[14]

Immigrants contribute every day to this society, whether it is the gardener mowing your lawn, the cook, like my mother, preparing your meal, the farmworker who picks your fruits and vegetables, or the nanny who is raising your children.

Many of us, like myself, have become leaders in movements that unite poor people of all kinds to fight not just to survive another day but for the right to live a full and vibrant life. I am now the Co-Director and Organizer of Union de Vecinos, a network of neighborhood groups in LA, and a Co-Chair of the California Poor People's Campaign. We are a community that chants loudly and proudly: "We are the Poor People's Campaign: a National Call for Moral Revival."

You have been elected to guide this nation and today I'm here to tell you to re-think this war economy. You hold in your hands not just power but the lives of millions of poor people.

My mother crossed a desert to give me a life with dignity and basic human needs — a home, food, and education. I will continue to fight to make sure everybody lives without poverty, systemic racism, ecological devastation, and violent militarism. I hope you will too.

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[11] Jon Stiles, Michael Hout, and Henry Brady, "California's Economic Payoff, Investing in College Access & Completion," Institute for the Study of Societal Issues, UC Berkeley, April 24, 2012, https://alumni.berkeley.edu/ sites/default/files/Californias_Economic_Payoff_Executive_Summary.pdf.

[12] Institute for Policy Studies and the Poor People's Campaign, "Poor People's Moral Budget: Everybody Has the Right to Live," June 17, 2019. This figure calculated by the Institute for Policy Studies in 2017 dollars. ipsde.org report-moral-budget

[13] Andrew DePietro, "The Real Cost of the Border Wall as the Senate Votes to Kill Trump's National State of Emergency," Yahoo! Finance, March 14, 2019. https://finance.yahoo.com/news/real-cost-trump-borderwall-195830968.html.

[14] Congressional Budget Office, "S. 744: Border Security, Economic Opportunity, and Immigration Modernization Act," June 18, 2013. https://www.cbo.gov/sites/default/files/113th-congress-2013-2014/costestimate/s7444.pdf.

Chairman YARMUTH. Thank you for your testimony.

I now recognize Mr. Overfelt for five minutes.

STATEMENT OF CHRISTOPHER OVERFELT

Mr. OVERFELT. My name is Chris Overfelt, and I am with Veterans for Peace. Thank you, Mr. Yarmuth and Mr. Womack. I want you to know that there is not a day in my life that I am not grateful to live under a representative government. Thank you to all of the leaders here.

I want to say that I am not here to try and make you think a certain way. I am here to present a different side of the conversation, and you can decide what you think is right. It is vital to our democracy that we can disagree and still respect one another.

I was an aircraft mechanic in the Air Force National Guard. I was based at Forbes Field in Topeka, Kansas from 2002 to 2011. I worked on the KC–135 aircraft, the airplane that refuels other planes in the air, and I deployed to Turkey and Qatar during the Iraq and Afghanistan wars. Neither of these countries will likely recover from that devastation in my lifetime. Nothing I can do in my life will make up for the hundreds of thousands of Iraqi and Afghan men, women, and children killed in these useless wars.

Since our invasion of these countries, terrorism has proliferated tenfold around the world. When I joined the military I had no idea that never in its history has the Department of Defense done an internal audit of its spending, despite it being mandated by law. It doesn't know how much money it is spending, and it doesn't know how it is spending it. It is a black hole for money.

A 2016 inspector general's report revealed that, over the past two decades, the Pentagon cannot account for how it spent $6.5 trillion. The Pentagon budget routinely accounts for half of the federal discretionary budget. It is no secret that there is always enough money for weapons and jails, and never enough for education and the poor. Instead of this money going to health care and education for our citizens who so desperately need it, it goes to Boeing, it goes to Lockheed Martin, it goes to Raytheon, it goes to Northrop Grumman, and the list goes on and on and on.

When I joined the military I had no idea that we have 800 military bases, worldwide. Why do we keep such a strong presence throughout the world? It's not to keep us safe. It is to provide western capital with continuous access to foreign resources and markets. Most of the military budget is used, not to fight wars, but to exercise soft power in the support of American capital.

When I joined the military I had no idea that all across the world the United States supports fascist governments through military training and arms deals, to ensure that they serve the interests of foreign capital, and not the people that they rule over. Honduras, Guatemala, Colombia, Egypt, Saudi Arabia, Qatar, UAE, and Bahrain, the list goes on and on. And I want to be clear: This does not make us safe, it makes us less safe.

And Mr. Womack, I appreciate your comments about getting job skills from the military. I am very grateful for getting my education and my skills as a mechanic, and the mentorship I received from the great people in the military. But we do not have to use

systems of violence and brutality to try and alleviate poverty here at home.

When I left the military in 2011 I began substitute teaching in Kansas City, and working at an agricultural mentorship for young people. I've met people here who have also suffered from these wars and the misplaced spending priorities that support them. On my farm and in my classroom in Kansas City I work with communities that are in direct need of funding. Instead of health care, schools, and early childhood education programs, they only get a militarized police force and punitive mass incarceration programs.

Thirty-nine percent Missourians are low-income, and black residents are incarcerated four times the rate of white residents.

We need to change the war economy, and use these funds to provide health care and education to everyone. The moral budget says we can save $350 billion by redirecting our foreign policy away from war and militarism, closing our overseas bases, and refusing to subsidize military contractors. We can also cut 25 percent of the $179 billion spent on mass incarceration in the form of police courts and private contractors.

I want to end by saying that I come here to ask that we stop funding systems of violence and brutality, and start funding systems of love that support people in our communities. Thank you.

[The prepared statement of Christopher Overfelt follows:]

Statement of Christopher Overfelt, Veterans for Peace
and member of the Poor People's Campaign

before the
Budget Committee

United States House of Representatives

"Poverty in America: Economic Realities of Struggling Families"

JUNE 19, 2019

My name is Chris Overfelt, and I'm with Veterans for Peace and the Poor People's Campaign.

I'd like to thank Chairman Yarmuth, Ranking Member Womack, and Members of the Committee for the opportunity to speak today. I want you to know how important it is that ordinary citizens like myself can make our voices heard in the halls of power. There's not a day in my life that I'm not grateful to live under a representative government where I can voice my opinion and have my elected leaders listen.

I was a hydraulics mechanic in the Air Force National Guard. I was based at Forbes Field in Topeka, KS from 2002 to 2011. I worked on the KC-135 aircraft; the airplane that refuels other planes in the air, and deployed to Turkey and Qatar during the Iraq and Afghanistan wars. I do not believe that either of these countries will recover from the devastation of these wars in my lifetime. Nothing I can ever do in my life will make up for the hundreds of thousands of Iraqi and Afghan men, women and children killed in these useless wars.

I joined the military because I wanted to keep people safe and I wanted an education. But that is not what I did in the military. I had to serve in wars that I believe were unjust, negatively impacted many and whose cost undermined the ability of our nation to meet its obligation to the poor and low wealth like me.

When I left the military in 2011, I began substitute teaching in Kansas City and working at an agricultural mentorship program for young people. I've met people in our own country who have suffered from these wars and the misplaced spending priorities that support them.

If you look at the billions upon billions spent on wars and compare that with what is spent to provide health care and other social safety nets for poor and low-wealth workers it is shameful.

I'm also a farmer and many farmers are hurting economically. The enormous money spent on what a Republican Dwight Eisenhower once called the military industrial complex does not help farmers from where I come from.

These money we spend on defense routinely accounts for over half of the federal discretionary budget. And yet we have not done very much for the rest of us who are fighting to make it through every single day.

On my farm and in my classroom in Kansas City, I work with communities that are in direct need of funding. Instead of the health care, schools, and early childhood education programs young people in my area need, the only investment they get is a militarized police force and punitive mass incarceration programs. Some 39 percent of Missourians are poor or low-income, and black residents are incarcerated at four times the rate of white residents.[1]

We need to change the war economy and use those funds instead to provide health care and education to all people. In our Moral Budget, the Poor People's Campaign and the Institute for Policy Studies found that we could save $350 billion a year by redirecting our foreign policy away from war and militarism, closing our overseas bases, and refusing to subsidize military contractors. We could also cut up to 25 percent of the $179 billion spent on mass incarceration in the form of police, courts, and private contractors.[2] All of these resources could be put back into communities all over the country, including the ones I work with in Kansas City. That would bring us real security, both here, and beyond our borders.

I'm Chris Overfelt. I'm a veteran, and I believe we need to work to stop funding systems of brutality and violence, and begin to fund systems of love that support everyone in our communities. Thank you.

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[1] Poor People's Campaign, Missouri Fact Sheet, 2018, https://ips-dc.org/wp-content/uploads/2018/06/Missouri-Fact-Sheet.pdf.

[2] Institute for Policy Studies, "Poor People's Moral Budget: Everyone Has a Right to Live," June 2018, link forthcoming (PDF submitted to committee).

Chairman YARMUTH. Thank you for your testimony.

And now I recognize Ms. Kinsey for five minutes.

STATEMENT OF SAVANNAH KINSEY

Ms. KINSEY. Thank you. My name is Savannah Kinsey, and I want to thank you for this opportunity. I am 22 years old, a member of the LGBTQ community, and I am from Johnstown, Pennsylvania, which is a town of about 20,000 people in western Pennsylvania. The population of Johnstown is about 77 percent white, 14 percent African-American, and 4 percent Latino. I graduated from Greater Johnstown High in 2014, and even though I graduated, everyday life is still very challenging. This is because the school system is very flawed and doesn't teach the real history of this country.

Education should teach all of us to hear and understand everyone's differences and backgrounds that they have come from. Johnstown used to be a booming steel mill town, but once the mills closed it went downhill. If you have ever heard of my town at all, it is probably because of our opioid problem.

I have known a few people who have died, including my friend Nycki. She was poor, like a lot of people in Johnstown. In fact, Johnstown has the highest poverty rate of any town in the state: 38 percent of all people, and 63 percent of people under 18 are living below the official poverty line. Nycki turned to drugs, and that led to going in and out of jail. She never got the treatment she needed, and when she overdosed two years ago she left behind a four-year-old daughter. Nycki was just 26 years old.

Some people say us young people are lazy. But that is not true. Johnstown just doesn't have enough jobs to pay—enough jobs that pay to live on. I am on disability and Medicaid, and I am grateful for the help that I get, but it is not enough to get by. And last year, out of nowhere, my benefits got cut down to $15 a month. I have tried asking why this was, and can never get an answer from anybody.

At the grocery store I sometimes have to put food back, or add the charge to my credit card debt, because I don't have the cash. What is going to happen when all of my credit card debt is maxed out, and still don't have the cash?

I am not the only person in this boat that is sinking. There is many others out there, too.

What has really helped me lower my anxiety is getting involved with Put People First!, PA. This is a group that gives people like me the opportunity to organize to make things better. To be honest, it has really become like family. I co-coordinate our health care rights committee in Johnstown, and I often go door to door, talking to people about the need for health care for all. It is hard work, but I love the challenge of trying to persuade people to have hope, and that we can improve the situation.

What makes me sad is when I talk to people who say there is no poverty problem in Johnstown, and that they have been told that if you are poor it is your own fault, or that you should just work harder. Or they say that immigrants are the problem. The real problem, I believe, is that a few people are getting very rich, while poor people in towns like Johnstown are just forgotten about.

Last fall Put People First! PA organized demonstrations against health care companies, and one was at Conemaugh Hospital owned by Duke LifePoint in Johnstown. Do you know how much the CEO of Duke LifePoint made in 2017? More than $13 million. Meanwhile, people, including some of my own family members, have gotten poor care at that hospital, which has a one out of five-star rating on Medicare.gov. Nobody should get that rich off of a health care system that is not even working.

And the problems are not just in Johnstown, either. Can you believe that the life expectancy in the United States is actually declining because of all the drug overdoses? Life expectancy for African-Americans in Johnstown is just 64.8 years, almost 15 years below the national average. That is just crazy.

We need to make health care a right with universal health care for all. And we need more public investment in communities like Johnstown, so that everyone has the opportunity to a secure, dignified life, not just the few wealthy at the top.

Thank you again for the opportunity to speak with you all today.

[The prepared statement of Savannah Kinsey follows:]

Statement of Savannah Kinsey
Healthcare Rights Committee Coordinator
Johnstown, Pennsylvania
Put People First! PA

before the
Budget Committee
United States House of Representatives

"Poverty in America: Economic Realities of Struggling Families"

June 19, 2019

My name is Savannah Kinsey and I want to thank you for this opportunity. I am 22 years old, a member of the LGBTQ community and I am from Johnstown, Pennsylvania, which is a town of about 20,000 people in Western Pennsylvania. The population of Johnstown is about 77% white, 14% African American, and 4% Latino[18].

I graduated from Greater Johnstown High in 2014. And even though I graduated, everyday life is still very challenging. This is because the school system is very flawed and doesn't teach the real history of this country. Education should teach all of us to hear and understand everyone's differences, and backgrounds that they have come from.

Johnstown used to be a booming steel mill town. But once the mills closed, it went downhill. If you've heard of my town at all, it's probably because of our opioid problem. I've known a few people who've died, including my friend Nycki.

She was poor, like a lot of people in Johnstown. In fact, Johnstown has the highest poverty rate of any town in the state. Thirty-eight percent of all people and 63 percent of people under 18 are living below the official poverty line.[19]

Nycki turned to drugs and that led to going in and out of jail. She never got the treatment she needed. When she overdosed two years ago, she left behind a four-year-old daughter. Nycki was just 26 years old.

Some people say us young people are lazy. But that's not true. Johnstown just doesn't have enough jobs that pay enough to live on.

I'm on disability and Medicaid and I'm grateful for the help I get, but it's not enough to get by. Last year out of nowhere my benefits for food stamps got cut down to $15 a month. I have tried asking why this was and can never get a straight answer. At the grocery store I sometimes have

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[18] U.S. Census Bureau, Johnstown population estimates, 2018.
https://www.census.gov/quickfacts/fact/table/johnstowncitypennsylvania/PST045218
[19] U.S. Census Bureau, American Community Survey, 2017.
https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?src=CF

to put food back or add the charge to my credit card debt because I don't have the cash. What's going to happen when all of my credit card is maxed out and still don't have the cash? I'm not the only person in this boat that's sinking. There's many others out there also.

What's really helped lower my anxiety is getting involved with Put People First! PA. This is a group that gives people like me the opportunity to organize to make things better. To be honest, it's really become like my family.

I co-coordinate our Healthcare Rights Committee in Johnstown. I often go door to door talking to people about the need for health care for all. It's hard work but I love the challenge of trying to persuade people to have hope — that we can improve our situation.

What makes me sad is when I talk to people who say there's no poverty problem in Johnstown. They've been told that if you're poor it's your own fault. You should just work harder. Or they say that immigrants are the problem.

The real problem, I believe, is that a few people are getting very rich while poor people in towns like Johnstown are just forgotten. Last fall, Put People First! PA organized demonstrations against health care companies. One was Conemaugh hospital, owned by Duke LifePoint, in Johnstown. Do you know how much the CEO of Duke LifePoint made in 2017? More than $13 million.[20] Meanwhile, people — including some of my own family members — have gotten poor care at that hospital, which has a 1-out-of-5 star rating from Medicare.gov.[21]

Nobody should get that rich off a health care system that is not even working. And the problems are not just in Johnstown either. Can you believe life expectancy in the United States is actually declining because of all the drug overdoses? Life expectancy for African Americans in Johnstown is just 64.8 years, almost 15 years below the national average[22]. That is just crazy.

We need to make healthcare a right, with universal healthcare for all. And we need more public investment in communities like Johnstown, so that everyone has the opportunity to a secure, dignified life — not just the wealthy few at the top.

Thank you again for the opportunity to speak with you today.

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[20] LifePoint Health, Inc., proxy statement to shareholders, 2018.
https://www.sec.gov/Archives/edgar/data/1301611/000104746918003156/a2235401zdef14a.htm#ea14701_summary_compensation_table

[21] Medicare.gov
https://www.medicare.gov/hospitalcompare/results.html#cmprID=390110&dist=50&loc=JOHNSTOWN%2C%20PA&lat=40.3267407&lng=-78.9219698&cmprDist=1.9

[22] Robert Wood Johnson Foundation, County Health Rankings and Roadmaps, 2019.
https://www.countyhealthrankings.org/rankings/data/PA

Chairman YARMUTH. Thank you for your testimony.

I now recognize Pastor Fields for five minutes.

STATEMENT OF LATASHA FIELDS

Rev. FIELDS. Thank you. Good morning. My name is Latasha Fields. I am the founder of Christian Home Educators' Support System in Chicago, Illinois. I want to thank Chairman Yarmuth for having me, the Ranking Member Womack, and Members of Congress. It is a blessing to be here today.

I have been married to Ronald Fields, II, for 13-and-half years. We are home educators of four wonderful children. I have two girls, 22 and three, and two boys, 12 and nine. My husband I were both born and raised in Baton Rouge, Louisiana. I spent 33 years there before I came to move to Chicago, Illinois seven-and-half years ago to expand our evangelistic work. We serve as the overseers and pastors of Our Report Ministries and Publications in Chicago. I am also the founder of Christian Home Educator, which is a homeschool academy, and Christian Home Support System, which is our support group.

These are evangelistic outreach ministries to serve and support the families of the City of Chicago and surrounding communities. We provide assistance, resources of our home education, cooperative educational and recreational resources, curriculum, and parental rights issues, and much more. Our mission is to empower parents to take back the responsibility of educating their children.

I am also the state coordinator of parentalrights.org, a volunteer of Junior Achievement of Chicago, and a member of CURE Clergy Network. I also have over 19 years of entrepreneurial experience, with 14 of those years being concentrated in the real estate industry, and several certifications in property management and nonprofit housing. I am also a recent graduate of Trinity Christian College in Palo Heights, Illinois, with a bachelor's degree in business administration with a 4.0 GPA.

So let me tell you a little bit about my journey, which is nothing short of the grace of God towards me. My grandmother, who raised me, also raised nine kids of her own, was a homeowner living in a poor, black, drug-infested community in Baton Rouge, Louisiana. She raised me and my younger sister. My mom was a teenage mom on drugs in and out of prison. My grandmother was a strong woman, hardworking woman. She showed tough love and had amazing, independent work ethics.

So I basically grew up in a typical black community surrounding me, the lack of motivation for education, promiscuous behavior, drugs, crime, and some on welfare. In spite of the circumstance that surrounded my childhood, I was one that often fought against the odds. I had a love for education. I never did drugs, and I never committed a crime. But however, I did fall into promiscuous behavior. And at the age of 17 I became a teenage mom.

This was the turning point of my life. I will never forget the day that I found that I was pregnant. I went into a Planned Parenthood in my neighborhood. I was devastated, I was frightened, and I was scared, because I was one of those kids that excelled in school, was popular in school, played sports, was on the homecoming court. You name it, I was in it.

So basically, I kept myself from the normalized behaviors that plagued the black community. So becoming pregnant was embarrassing to me. I didn't want to be like the rest. I had always strived to be better. I didn't want to be like the social norm. I didn't want to be another statistic. I didn't want to be the 72 percent of moms raising a child single.

So, while waiting for the result of my pregnancy test, I was crying. I was thinking how I had ruined my life. The nurse came back in the room and she told me that I was three weeks' pregnant, and she consulted me that I had another choice. I had a choice to abort my baby.

In that very moment, my life flashed before my eyes because I had a big decision to make. Do I get rid of my baby, and proceed as normal, as though nothing happened, and go back to my family and friends and continue to live out my life? Or do I live the rest of my life knowing I had killed my baby? Do I keep my baby, and face the challenges that lie ahead of me, and press past the shame, the regret, and the disappointment?

I chose the latter. I chose to do what I will always hear my grandmother say: You make your bed hard, you lie in it. Those words rang loud and clear in my heart and mind. Yes, we did this. No one else is responsible for the choice we made. I must take responsibility for my actions and live with it, live the best possible life I can, give my child the best possible life I can, finish high school, go to college, and make something of myself.

I decided, in spite of my teenage pregnancy, that I would continue to press past the popularized social norms of the black community. I worked hard, I graduated from high school five months pregnant. During my teenage years I worked at Burger King. I was a part of an entrepreneurial program that we had. I worked throughout my high school years, from 15 until I graduated, but I was a mom, so I had to continue working at Burger King to provide for myself and my baby.

My—I lived with my grandmother for several months after I had her, and she encouraged me to get on food stamps, to receive week—to receive child care assistance. During this time she also helped me to get my first apartment.

After about nine months of renting, the real estate company asked me did I want to buy a house. I was shocked. I was excited. I went to the first-time home buyers program, and I purchased a three-bedroom, one bath house at 18 years old. After two years of being on food stamps, I found myself increasingly growing to hate the program. I felt awful while I was on the program. It was such a level of disrespect and deprivation. I couldn't take it any longer. I removed myself from the food stamp program. But however, due to me working and going to college, I had to remain on child care assistance.

After having my baby in 1996, buying my home in 1997, the same real estate company offered me a job. I became a secretary, later a rental assistant manager, and later, in December of 2005, I became a licensed real estate agent.

However, from 1996 to early 2005 I was a single mom, working hard, working two jobs sometimes, going to college, and maintain-

ing honors. By November 2004 I gave my life to Christ, then my husband. We got married October 2005.

After becoming a Christian I became an ordained minister. My faith began to challenge and propel me to work with families and kids, and tackle the problems that plague the black communities. I lived it, and I wanted to reverse the plague. I had begun and purposed in my heart that I would become that change, and advocate for my family and friends.

In 2006 I felt compelled by God to take more responsibility for my daughter's education. I took her out of the public education in the fourth grade, and I wanted to give her a Christian education by homeschooling her, so we did. My husband and I did not know what that would entail, but we obeyed God.

Later, in 2007, we opened up a Christian homeschool academy as an extension of our evangelistic work. My husband and I are now homeowners in Chicago, Illinois. For the last three years my husband is the owner of his own barber shop in the South Shore Community in Chicago for the last five years, and we are continuing our ministerial work with our Christian school and our co-op group to support the families in the City of Chicago.

Chairman YARMUTH. Ms. Fields, if you could wrap it up, your time is considerably over.

Rev. FIELDS. Oh, it is?

Chairman YARMUTH. So, if you could, wrap it up. You can make a concluding statement.

Rev. FIELDS. Oh, wrap it up, okay. And one more point, that we graduated our oldest daughter—she is 22—from being homeschooled all the way to 12th grade. We graduated her from our homeschool academy, and now she just walked across the stage from the University of Bridgeport, with a degree in nutritional science with a 3.1 GPA from being homeschooled. Thank you.

[The prepared statement of Pastor Latasha Fields follows:]

Pastor Latasha Harrison Fields
Founder, Christian Home Educators Support System (CHESS)
House Committee on the Budget
June 19, 2019

Thank you Chairman Yarmuth, Ranking Member Womack and Members of the Committee for inviting me to testify today.

My name is Latasha Harrison Fields. I've been married to Ronald L. Fields, II for 13 ½ years. We are home educators of four wonderful children, two girls and two boys. We graduated our oldest daughter from our homeschool academy in 2014 and she is now a recent college graduate from the University of Bridgeport in CT with a Bachelors degree in Nutritional Science with a 3.1 GPA.

We are the Overseers and Pastors of Our Report Ministries & Publications in Chicago, IL and the founders of Ky'Ijel Group Christian Academy (Homeschool Academy), and Christian Home Educators Support System (CHESS). These are evangelistic outreach ministries to serve and support the families in the City of Chicago and surrounding communities. We provide assistance and resources about home education, cooperative educational and recreational opportunities, curriculum guidance as well as **pertinent parental rights issues** and much more. Our mission is to empower parents to take back the responsibility of educating their children.

I am also the State Coordinator of Illinois for ParentalRights.org, a volunteer with Junior Achievement of Chicago and a member of UrbanCure Clergy Network. I also have over 19 years of entrepreneurial experience, with 14 of those years concentrated in the real estate industry with several certifications in Property Management and Non-profit Housing. I am also a recent graduate of Trinity Christian College in Palos Heights, IL with a Bachelors' degree in Business Administration with a 4.0 GPA.

My husband and I both were born and raised in Baton Rouge, Louisiana. I spent 33 years

there before the time came for us to move to Chicago 7 ½ years ago. The move wasn't sudden. The Lord dealt with my husband six years or so prior in regards to us moving in order to expand our evangelistic work.

Proceeding to the life I now live, is nothing short of God's grace toward me. My grandmother, who only has a second-grade education, raised nine kids of her own, was a homeowner living in a poor black, drug infested neighborhood and raised me with my younger sister. Our mom was a young teenage mom, on drugs and in and out of prison. However, my grandmother was a strong hard-working woman, who showed tough love and amazing independent work ethic.

I basically grew up with all the typical black stigmas: the lack of motivation for education, promiscuous behavior, drugs, crime and some family members on welfare. In spite of the circumstances that surrounded my childhood, I was one that often fought against the odds. I had a love for education, never did drugs or committed a crime. However, I did fall into promiscuous behaviors and at the age of 17 I became a teenage mom.

This was a major turning point in my life. I will never forget the day I found out I was pregnant. I went into a Planned Parenthood in my neighborhood. I was devastated, frightened and scared. I was one of those kids who exceled in school, was popular, played sports, on the homecoming court, you name it, I was in it. Basically, I kept myself from a lot of the social norms and/or behaviors that surround the black communities. So becoming pregnant was embarrassing to me. I didn't want to be like the rest. I always strived for better and wanted to beat the social norms of the black community, I did not want to be another statistic.

While, awaiting the results of my pregnancy test, I was crying and thinking how I had ruined my life. When the nurse came back in the room with the test results, she began to tell me I was three weeks pregnant and consoled me that I had another choice. I had a choice to abort my baby. In that very moment, my life flashed before my eyes. I had to

make the biggest decision of my life. Do I get rid of my baby and proceed as normal, as though nothing happened? And go to my family and friends and continue to live out my life. Or do I live the rest of my life knowing that I had killed my child? Or do I keep my baby and face the challenges that lay ahead of me and press past the shame, regret and disappointments? I chose the latter.

I chose to do what I would always hear my grandmother say, "You make your bed hard you lied in it." Her words rang loud in my heart and mind. Yes, my boyfriend and I did this. No one else is responsible for the choice we made. I must take responsibility for actions and live with it. Live the best life I possibly can, so I can give my child the best possible life. I must finish high school, go to college and make something of myself. I decided that in spite of my teenage pregnancy, I would still continue to press past the popularized social norms of the black community.

I worked hard, graduated from high school five months pregnant. During my teenage years, I worked at Burger King as part of my high school's entrepreneurship program. However, after graduating from high school and becoming a mom, I found myself having to continue to work at Burger King to provide for my baby and myself. I lived with my grandmother for several months after I had my baby and was told to get on food stamps, receive WIC and childcare assistance. During this time, she also helped me to get my first apartment. After about nine months of renting, the real estate company asked me did I want to buy a house. I was shocked and excited! I went through the first time homebuyers program and purchased a 3 bedroom, 1 bath home at the age of 18.

After two years of being on food stamps, I found myself increasingly growing to hate the program. It was awful; the level of disrespect and deprivation was profoundly unbearable. I couldn't take it any longer. I removed myself from the food stamp program. However, due to me working and going to school, I had to keep the child care assistance.

After having my baby September 1996, buying my home in August of 1997, my life took another interesting turn. I was offered a position at the real estate company who sold me

my home in 1998. I became the secretary, later the assistant rental manger, then in December 2005 I became a licensed real estate agent. However, from 1996 to early 2005 I was a single mom, working hard, even two jobs sometimes, going to college and was able to maintain honors.

By November 2004, I gave my life to Christ, met my husband at church in March 2005 and we got married October 8, 2005. After a year of becoming a Christian, I became an ordained minister. A year prior and during this time, the Lord began to deal with me very strongly about kids, building families and tackling problems that plague the black communities. I began, with purpose in my heart, to become that change and advocate for my family and my people.

In 2006, the Lord impressed upon my heart to take my daughter out of public education and began to give her a Christian education, by homeschooling her, so we did. We had no idea what this would entail; we just obeyed God and did it. My husband and I later opened up our own Christian homeschool academy in 2007 as an extension of our evangelistic work.

Then in October 2011, due to the Lord calling my husband to be planted in Chicago, the time came for us to move. He also has a very similar backstory, but has been able to persevere, showing great ingenuity and tenacity for overcoming the status quo challenges of being a black man. We did persevere and now we're here in this great city, Chicago, doing the work of the Lord. My husband and I purchased a home 3 years ago (2016); he has been the blessed owner of his own barbershop in the South Shore community for the last 5 years (2014); and we are continuing our Ministerial work and our Christian homeschool academy and Co-op group to support the families in the city of Chicago and surrounding community.

Thank you for this opportunity to testify.

Chairman YARMUTH. Thank you very much.

I now recognize Pastor Mahan for five minutes.

STATEMENT OF PASTOR DAVID MAHAN

Pastor MAHAN. Chairman Yarmuth, Ranking Member Womack, all the esteemed Members of the House Budget Committee, I thank you for this opportunity to share my family's journey out of poverty.

Growing up, my wife and I were raised in lower middle-class households with the public schools, experienced some of the same societal ills far too many American children face. Abuse, addiction, divorce, depression, parents who have more bills than money most months were all part of our building blocks that formed—the building blocks that formed our childhood.

In 1993, soon after I completed my senior year, my girlfriend informed me that she was pregnant, and that I had some serious decisions to make. I was terrified, confused. As I was—it seemed like everyone around me kind of knew what I should do more than I did.

So my friends thought that we should have an abortion, just go ahead and kill the baby, and then you can just go on with your life. My mother, well-meaning, she decided that I should take care of my children, you know, always, but that it is my wife that I should not—I shouldn't marry my wife, that I should just basically take care of the kids.

This is, later on, what I found would lead to about 70 percent of African-American kids being born, you know, being born into households without fathers. And so I am so glad I didn't take that advice.

Despite all of the advice to the contrary, we decided to keep our baby, get married, and trust the Lord for answers along the way. I went home from being a popular student leader, a newly enrolled college student, to a poor college dropout and teen father overnight.

The first year of our marriage I made $11,000 in 2017 in debt. While living with—or living with our relatives, we had to put our baby girl in the bottom drawer of a dresser and—to sleep, because we just couldn't afford a crib. Her nightlight was the orange security light that shown through the window from the back wall of the grocery store. And my wife and I pillowed our heads at a bed that, basically, they found my alcoholic uncle dead in just months before we moved in.

After living with a few relatives and working hard, I finally was able to move my family into a small duplex apartment in a rough neighborhood. Drugs were being sold across the street. The smell of marijuana frequently crept into the house through the paper-thin walls from our neighbors. Shortly after we had our second daughter, I was working several jobs, struggling to study for the ministry.

We finally worked ourselves off of the WIC program, and I even started a small cleaning company, where I was thankful, basically, to work and clean out crack houses that were roach-infested and everything from property managers that kind of frequented our company.

I was working so much that one day, when my wife, you know, came, I was home between jobs, and my wife came home and said she was looking for me, calling my name. And she said she came downstairs where I was zoned out, staring blankly at a empty TV screen with tears streaming down my face. I was demoralized, utterly exhausted, and I felt like I was beginning to lose my mind. However, looking back, I can clearly see how the Lord rescued us time and time again, and how, when we felt the weakest, He faithfully stepped in to strengthen us.

For instance, once when our car broke down, our only car broke down unexpectedly, we had a friend randomly call the house to say that they got an amazing deal at the auto auction. They bought two cars, and so they offered the one that they were currently driving to my wife and I.

Another time I came home and I put my bags down in the front room and I saw my wife weeping in the kitchen, looking at the empty cabinets and refrigerators. And she said, "Lord, I never seen the righteous forsaken, nor my seed begging bread." And she prayed that we would have food that night. Her friend called that night and said that her brother was working at the grocery store up the street, said that they had some extra meat they were about to throw away, and that night we all ate steak for dinner.

And then there was the year we decided to step out on faith and take our children out of the failing public school system. We could not afford private school. Our family thought that we were nuts, but the Lord connected us to a group of homeschool families in our church who took us in, guided us through the entire process. Years and a whole lot of criticism later, when we were able to move into a better neighborhood and enroll our children into a high-performing high school, we once again recognized the sovereign hand of God in the decision that we made to homeschool our children.

Two poor African-American teen parents with little post-secondary education somehow raised four brilliant children with exemplary character who would all rank in the top of their classes, 4.0, 4.3, 4.6. Mentoring programs, thousands of hours of community service, GE/Reagan and merit scholarships, a neuroscience degree from the Ohio State University, double majors. With God's help and a strong community of faith, we were blessed to achieve outcomes that many of our public schools in our area could not, and all from the kitchen table of our modest inner-city home.

In closing, I understand the pain of poverty, and the sense of hopelessness that it engenders. However, I also understand the hope that comes from personal responsibility, strong marriages and families, and an act of faith in Jesus Christ.

While there is a place for poverty relief programs in society, for sure, I feel that our reliance upon them has become excessive, and that many of them have grossly missed the mark of empowering their recipients to achieve self-sufficiency.

Today, my wife lovingly serves disadvantaged women in one of the poorest neighborhoods of our city. As a youth development consultant and minister, I serve thousands of youth and families per year, teaching character education and the word of God all over the country and abroad. We just celebrated our 25th year in marriage together, and our four children are absolutely thriving. However,

there is nothing special about us, but for the fact that we are trophies of God's grace and beneficiaries of the love and kindness of family, friends, and others within our community who committed to love God and love their neighbors, to be clear.

Personal responsibility, strong marriages and families, and an act of faith in Jesus Christ is the formula that worked for us. This is the formula that worked for our ancestors before us. And this is the only formula that will work for Americans today. Government programs will only prove successful to the degree that they supplement these key factors without supplanting them.

I appreciate your time to come and share my family story today. It is a big deal in the Mahan house, and I am free to answer any questions that you might have.

[The prepared statement of Pastor David Mahan follows:]

Pastor David Mahan
Founder, Frontline Youth Communications
Testimony before the House Committee on the Budget
June 19, 2019

Chairman Yarmuth, Ranking Member Womack, and all of the esteemed Members of the House Budget Committee, I thank you all for this opportunity to share my family's personal journey out of poverty.

Growing up, my wife and I were raised in lower to middle-class households, went to public schools and experienced some of the same societal ills that far too many American children face. Abuse, addiction, divorce, depression, and parents who had more bills than money most months, were all a part of the building blocks that formed much of our childhood. In 1993, soon after I completed my senior year, my girlfriend informed me that she was pregnant, and that I had some serious decisions to make. I was terrified, and as confused as I was, it seemed like everyone around me knew more about what I should do than I did. Friends suggested that we should just abort our child, and simply move on with our lives. My mother, though well meaning, was adamant that I needed to take care of my baby, but not marry her mother, because the government would give more welfare money to a single-mother than a married couple - a fact that I would later learn has contributed to over 70% of African-American children being born into fatherless homes.

Despite all of the advice to the contrary, we decided to keep our baby, get married, and trust the Lord for answers along the way. I went from being a popular student leader and a newly enrolled college student, to a poor, college-dropout, and teen father, overnight. The first year of our marriage I made $11,000 and owed $17,000 in debt.

While living with one of our relatives, we had to put our baby girl in the bottom drawer of a dresser to sleep because we couldn't afford a crib. Her night light was the orange security light that shone through the window from the back of the grocery store next door, and my wife and I

pillowed our heads in the same bed that they found my alcoholic uncle dead in, just months before we moved in.

After living with a few relatives, and working hard, I was finally able to move my family into a small duplex apartment in a rough neighborhood. Drugs were being sold across the street and the smell of marijuana frequently crept into our home through the paper-thin walls between us and our neighbors. Shortly after we had our second daughter - I was working several jobs and struggling to study for the ministry - we finally worked ourselves off of the "WIC" program. I even started a small cleaning company, and was thankful for any job I could get, including cleaning out roach infested, crack houses for property managers.

I was working so much that one day while I was home between jobs, my wife said she called for me several times without any reply. When she finally found me in the basement, I was zoned-out, staring blankly at an empty TV screen, with tears streaming down my face. I was demoralized, utterly exhausted, and I felt like I was beginning to lose my mind.

However, looking back I can clearly see how the Lord rescued us time and time again, and how when we felt the weakest, He faithfully stepped in to strengthen us. For instance, once when our only car broke down unexpectedly, we had a friend randomly call and say that they got an amazing deal on two cars at the auto auction, and they wanted to bless us with the minivan that they were currently driving. Another night I came home from work and found my wife weeping in the kitchen over the empty cabinets and refrigerator, as she prayed, "Lord, Your Word says that 'I have never seen the righteous forsaken nor His seed begging for bread'". That evening her friend called and said that her brother who worked in the meat department of the store up the street, said she could pick up the perfectly good meat that they were about to throw away, and that night we had steak for dinner.

And then there was the year that we decided to step out on faith and take our children out of our failing public school system. We could not afford private school, our family thought we were nuts, but the Lord connected us to a group of homeschool families in our church who took us in, and guided us through the entire process. Years, and a whole lot of criticism later, when we were

able to move into a better neighborhood and enroll our children into a high performing high school, we once again recognized the sovereign hand of God in the decision that we made to homeschool. Two poor, African-American teen parents, with little post-secondary education, somehow raised four brilliant children with exemplary character, who would all rank in the top of their classes: 4.0, 4.3, 4.6 grade point averages, a mentoring program, thousands of hours of community service, GE/Reagan and merit scholars, a neuroscience degree, double majors. With God's help and a strong community of faith, we were blessed to achieve outcomes that many of the public schools in our area could not, and **all from the kitchen table of our modest inner-city home!**

In closing, I understand the pain of poverty and the sense of hopelessness that it can engender. However, I also understand the HOPE that comes from personal responsibility, strong marriages and families, and an ACTIVE faith in Jesus Christ. While there is a place for poverty relief programs in society, I feel that our reliance upon them has become excessive, and that many of them have grossly missed the mark of empowering their recipients to achieve self-sufficiency.

Today, my wife lovingly serves disadvantaged women in one of the poorest neighborhoods of our city. As a youth development consultant and minister, I serve thousands of youth and families per year teaching character education and the Word of God, in communities all across the country and abroad. We just celebrated 25 years of marriage, and our four children are thriving. However, there is nothing special about us, but for the fact that we are trophies of God's grace, and beneficiaries of the love and kindness of family, friends, and others within our community who've committed to love God and love their neighbors. To be clear, personal responsibility, strong marriages and families, and an ACTIVE faith in God is the formula that worked for us. This is the formula that worked for our ancestors before us. And this is **the** formula that will work for America today. **Government programs will only prove successful to the degree that they SUPPLEMENT these key factors without SUPPLANTING them.**

Thank you again for this opportunity to testify, and I will be happy to answer any questions at this time.

Chairman YARMUTH. I thank the gentleman for his testimony. We will now begin the question-and-answer period. I yield five minutes to the gentleman from New York, Mr. Jeffries.

Mr. JEFFRIES. I thank the distinguished Chair for convening this hearing and for your leadership. And, of course, I thank Congresswoman Barbara Lee for her persistent leadership on this issue within the caucus, and thank all of the witnesses for your presence here today and for your testimony.

It seems to me that tackling the issue of poverty should be something that we do in a bipartisan way. Jim Clyburn has frequently raised the issue of the need for Congress to address persistently poor counties. And when you look at the measure of what a persistently poor county is in the United States of America, it is based on the fact that 20 percent or more of the people have lived below the poverty line 30 or more years. That is a persistently poor county.

And when you look at who represents persistently poor counties in the United States House of Representatives, it is almost equally divided between Democrats and Republicans, both sides of the aisle. I haven't looked at the breakdown in terms of the 116th Congress, but in previous congresses, in fact, my colleagues on the other side of the aisle represented more persistently poor counties than did Members of the House Democratic Caucus.

This is an issue that, in the past, Dr. King spoken eloquently about the effort to divide poor whites and poor African-Americans from each other, notwithstanding the commonality of condition that can often be found.

Dr. Barber, I would be interested in your take on where the opportunities lie to tackle poverty as a moral imperative, as you have eloquently laid out for the country, but to try to do it in a bipartisan fashion.

Rev. Dr. BARBER. First of all, I think that we have to, but I think all of us have to get this right. We are not talking about just addressing poverty a little bit. King talked about ending poverty, militarism, and racism, and ecological devastation, a war economy. That is why we have put together a budget, as well as the facts.

And the reality is, even with the facts, we got to start with what is right, 140 million poor people. We have got to stop racializing poverty, like poverty is some black people that don't work hard enough. The fact of the matter, they are more white people that are poor than there are blacks. The concentration is more whites, but there is actually more African-Americans.

And so we should come together. I was actually looking at the Ranking Member's state in Arkansas. I just thought I would say I have looked at Arkansas. I think this is Arkansas. It says that in Arkansas, 46 percent of people in Arkansas are poor and low income: 493,000 of them are black, but 863,000 of them are white.

Now, all those folks are not poor because they don't work hard enough. To have anecdotal evidence about people working hard enough, that—they are actually proving our point. People shouldn't have to work three jobs. That is the point. People shouldn't work without health care. That is the point. People shouldn't have to pray to wait for food to come on their table. That is the point. If

you are working, you should be making a living wage, you should have health care.

And the richest nation in the world—every one of you that comes into this chamber, one of the first things you get is free health care, because we pay for it. We pay for it. You make sure that, for instance, you have the ability to get all of your preclearance—all your—this lady didn't have that chance.

Ms. GREER. No.

Rev. Dr. BARBER. She didn't have that chance. And so, what we have put together for you is an agenda of what can happen if we invest in living wages, and how many dollars that can put into the economy for everybody. What can happen if we cut the military budget by 350—and it will still be higher than Russia, Iran, North Korea, all of them combined.

We have a complete plan. And we are not here talking about Democrat or Republican. We are not trying to racialize—but that is why we dis-aggregated the number. We are tired of the racialization of poverty, the partisanism of poverty.

What we are saying is you cannot have a society where 43 percent of your people are poor and low-wealth. I don't care if they are from eastern Kentucky, where we have been, that is predominately white, or eastern North Carolina, that is predominately black. It is wrong. And we have a plan, and we must work together to change this.

Mr. JEFFRIES. Thank you, Dr. Barber, but one last question. You also mentioned that the traditional poverty measures don't actually capture the distressed conditions that the American people are confronting in incredibly large numbers. And one of the statistics that has startled many of us, I believe, is the fact that at least half the country has indicated that they couldn't afford a sudden, unexpected $400 expense. That is over 160 million people in the United States of America.

How do you think we should measure poverty? And maybe Dr. Theoharis can address that, or Dr. Barber. I yield to you at your discretion.

Rev. Dr. BARBER. I am going to take one shot and turn it to—we have the official poverty measure and the supplemental poverty measure. The problem is even the official poverty measure didn't really measure poverty at the beginning. The supplemental poverty measure looks at poverty based on the federal-federal poverty line, but also those who are less than 200 percent of the federal poverty line. And what it shows us is that that is a broader measurement. It gives us a truer picture.

And if we are going to have this conversation, let's start with the facts, not the phoniness, not the mythology, but let's start with the facts of what is happening to the people across this country.

Liz?

Rev. Dr. THEOHARIS. Yes, indeed. We actually need a more effective poverty measure. We need to not just talk about a food budget, when housing is one of the biggest expenses, when health care and health care crises—when 73 percent of this country can actually have health care insurance and still not be able to afford many of their basic health care services. We got a problem.

Mr. JEFFRIES. Thank you.

Chairman YARMUTH. The gentleman's time has expired. I now recognize the gentleman from Ohio, Mr. Johnson, for five minutes.

Mr. JOHNSON. Thank you, Mr. Chairman. And, boy, I tell you, I want to thank all of our witnesses for being here today. This is a really, really important hearing, because the issue of poverty in America is very real. I know, because I have got some personal experience with it. And I know many of you are going to look up here and say, "Yeah, right, okay."

But let me give you a little bit of my background. I was born on a two-wheel wagon-rut mule farm. We had no indoor plumbing. We cooked and heated on two big, old, black potbellied stoves. We farmed with mules up until I was about 13 years old. We went to the store once a month, and that was to get sugar and salt, if we had the money to do it. Everything else came from the sweat of our brow, and the toil of our hands, in growing and raising what we consumed. My mother worked three or four jobs, picking cotton, picking tobacco, working on produce farms, you name it. That was—we didn't know we were poor. We thought we lived like everybody else did in the community in which we were raised.

Mother had to find a way to take care of two kids, so she lied about my age. Mom's dead now, so I can say that, you can't go after her. But she lied about my age to start me to school when I was five years old. And because my dad was an alcoholic, and she had to jump from place to place to try to find a job because he wasn't providing much input, we were all over the place, 13 schools in 12 years.

So education was a big, big problem for me. I didn't get a very good one in elementary school and middle school and high school. And thank God that I lived in a country that helped provide some opportunities.

I see a lot of testimony here about Christian principles. We got two reverends, two pastors, and a lot of people with Jesus signs on their shirts. I have been a Christian since I was 10 years old. And I am going to tell you the scriptures that I read, one of the problems that we have got in this country—it is not a head problem, folks, it is a heart problem, because I don't find anywhere in the scripture where Jesus said that it was Caesar's job to feed the poor and to clothe the widows and to take care of the orphans. He said it was the churches. It is the church's responsibility. It is the community's responsibility. It is your neighbors' responsibility, it is your responsibility, as a neighbor, to do those things.

Pastor Mahan, I find your testimony especially inspiring, both because we are fellow Ohioans, and I plan to get with you, because I got some thoughts to share with you later, but because you too have thought a lot about how fathers and father figures can impact the lives of children and young adults. I wrote a book about that called "Raising Fathers" that was published in 2017. We can talk more about that later, too.

But in your work with at-risk youth, can you describe the effect that a strong male role model can have on young people and their ability to overcome poverty and succeed in the future?

Pastor MAHAN. I, first of all, appreciate your kind words. I have not seen a more powerful influencer in anti-poverty in a kid's life

than a father. Obama said that the leading cause for child poverty was fatherless homes.

I have seen it go the positive way, and I have seen it go a negative way. I have seen it where we have got mentoring programs, we are working with kids, Father gets out of jail, and that power of a father comes in and undoes everything we did in the mentoring program. But I also see it work in the opposite way, where we can be fathers to the fatherless, where we can go into communities where 80, 90 percent of kids have no dads. We can be coaches, we can be mentors, we can be teachers, and turn that kid's life around, too, by being a father, to somebody that didn't have one.

It is just that—it is something that can't be understated. And that is my biggest piece. When I come into the room and I am hearing folks talk about, you know—I don't hear anybody saying we don't want to end poverty. What I am hearing is that you have got some that are talking about intentions, and you have got some that are talking about results. And this is not new. You know, we have got the war on poverty that started years ago. We had 7 percent of the kids in America that were born in homes without fathers. At the end of the doggone thing, today, we got 42 percent of kids in America that have no fathers.

Mr. JOHNSON. Yes. Pastor Mahan, I really—I wish I could take all day with you, but let me get to Pastor Fields real quick.

You know, access to quality education is often referred to as the silver bullet for success in life. Can you talk just briefly about some ways that that has played out in your life, or the lives of your children? What role has federal policy had in your and your children's education?

Rev. FIELDS. Yes, it has been a tremendous blessing. And, like I said, I pulled my daughter out in fourth grade. And so we began to homeschool.

And what we have seen what education has done—because, of course, me and my husband are products of the public education system. Well, because I have always been a stickler and an advocate for education, with homeschooling my children their education was unlimited. It was vast. So we were able to give them a quality education. And I believe some of the ones here who were saying that even teaching our children our history—so we was able to give them that, that the public school has failed to give them.

And so, with me going back to school, and just recently graduating in December, I am an advocate for education. I understand where I felt the federal dollars are being spent in order to give us those opportunities to get an education. So education is definitely a key for our children and for society to succeed and to come out of poverty.

Mr. JOHNSON. Okay. Thank you very much.

Mr. Chairman, I yield back.

Chairman YARMUTH. Thank you. The gentleman's time has expired. I now recognize the gentleman from Pennsylvania, Mr. Boyle, for five minutes.

Mr. BOYLE. Thank you, Mr. Chairman. And I want to just say thank you to each and every one of the eight witnesses, for both the head and the heart that was present in each one of your different testimonies.

You know, one of the things I have noticed in our political discourse—and this is not just in one campaign, it is throughout many campaigns—sometimes some people use a very dishonest frame. They will say there are the economic issues, and then there are the moral issues. And the moral issues, typically, they are referring to a few hot-button social issues. And then they will say, "Oh, but then there are the economic issues: taxes, and spending, and budgets."I believe that is wrong. The economic issues are moral issues. And this really goes back to our founding documents, because we are a nation born not of one race of people, but of a commitment to a certain set of principles and ideals. In our founding documents is the acknowledgment that all of us, by virtue of human beings, have certain rights.

However, if we don't have the economic ability to participate fully in those rights, then those rights remain just abstract. That is something that the UN human—UN Declaration on Human Rights recognized over half a century ago, which the United States led the drafting of, and have signed up to it, including in that document, by the way, a commitment for universal health care as a human right.

Now, I want to transition just briefly, because there are so many different topics that were raised, from education, to housing, to opioids. And I wanted to focus specifically on opioids.

And Ms. Kinsey, Savannah, thank you for your testimony. As a fellow Pennsylvanian, you make me proud. I thank you especially for sharing the story of your friend, and I am sorry for her loss and the loss that you have experienced for Nycki.

The opioid epidemic is horrible in all 50 states. But for our home state of Pennsylvania, for the Commonwealth, it is nothing short of a catastrophe. In my home town of Philadelphia, we, I am sad to say, lead the nation among major cities for opioid deaths. It is something that I have worked—I have spent a lot of time on, as it has been especially a scourge in my own community, in my own district.

I was wondering if you could speak to the ways in which our SNAP program, Medicaid, and other financial systems actually make it harder to break that cycle of addiction, the way the economic conditions actually exacerbate the cycle of addiction, and if you had any ideas or thoughts on ways we could make it easier for people to kick that opioid epidemic addiction, knowing that it would, A, be the right thing to do, but, B, in the financial interests of society to help them do so.

Ms. KINSEY. Thank you. So, to the last part of your question, I will just answer that first. I believe that putting folks in prison for the opioid epidemic is not the way to do it. I believe a treatment center would be the correct route, just because going into prison you don't even get treatment, or very little treatment. And then it just turns to in and out, in and out. And then eventually it just ends—leads to death, and doesn't end anywhere well.

And then can you repeat your first question? I am sorry.

Mr. BOYLE. No, that is good. I was—the first part was talking about the ways in which the system that we have created actually makes it more difficult to break this cycle of addiction.

Ms. KINSEY. Okay.

Mr. BOYLE. And it is not a quiz. If you don't have anything to offer, then don't worry about it. But I just—I think that it is so important that we listen to voices, the lived experiences, people like yourself, because I think, in many ways, those are the voices we don't hear enough of here in Washington.

Ms. KINSEY. Yes. So I don't really feel like food stamps and the WIC program and stuff like that really affect, like, the opioids, like, in a bad way. Like, I feel like by not—I might be misunderstanding your question, but I feel like by not having the money for all of them, I feel like it affects it tremendously, just because you end up—like, your mental health is just declining. And, I mean, I have not experienced it personally, I have just known folks. But just from what I have heard, and all of that, and living there, it is just, like—so you go to the store, and you can't afford food for your family.

Like, I know a lot of us have talked about children and, like, that is very depressing, to not be able to, you know, afford food for your family. And, like, just the route of my friend, Nycki, like, she actually was just, like, smoking weed with her friends. And so she was smoking and they, you know, ran out of weed. So a friend of hers actually said, you know, "Try opioids, like, you know, try heroin, it is just—you know, it is just as good, like, you know, nothing is going to happen."

So, you know, they were poor because, you know, they ran out of the weed, and then like, you know, so——

Chairman YARMUTH. Okay, the gentleman's time has expired. I now recognize the gentleman from Missouri, Mr. Smith, for five minutes.

Mr. SMITH. Thank you, Mr. Chairman. Sixty-five days. Sixty-five days. That is how many days that have passed that we have not did the responsibility of this Committee, and that is to pass a budget. A budget hasn't even been filed amongst the Democrats.

Nancy Pelosi, who spoke in this Committee just at the very beginning, said that a budget is a statement of your values. Show us your values. That is whenever her party was in the minority, just a few years ago. I am asking Speaker Pelosi and the House Democrats to pass a budget.

We are having a hearing today on poverty. Poverty hits home directly to me. But before we can address a lot of the issues in poverty, we have to do a budget, which was supposed to be done 65 days ago. File a budget. Let us talk about it. Let us see your values. House Republicans have a budget. Take up ours, if you don't want to take up yours. The President even has a budget.

When we talk about the area that I represent in southeast Missouri, it is called the Bootheel. It is a very impoverished congressional district. We have over 200 miles of the Mississippi. My family has called that district home for seven generations.

Growing up in high school and in college, I would go work on my grandparents' farm. Whenever I would work at my grandparent's farm, in order to wash my hands after working cattle, or picking up rocks, clearing brush, to wash my hands I had to pump water out of a cistern. My grandparents never had running water. They died not having running water. So I understand what poverty is all about.

More than 20 of my 30 counties are persistent-poverty counties in the 8th congressional district. It is a very impoverished area. But you know what my family always taught me? My father was a minister. My parents showed a lot of love. They have been married for more than 55 years. But they taught me that hard work, and determination, and support from your family can do a lot. And a lot can happen from a family that had nothing. And so there is a way to get out of poverty.

Lyndon B. Johnson declared war on poverty over 50 years ago, and since then we have spent over $25 trillion on different government programs. We had 36 million people in poverty in the 1960s, when we granted the war on poverty. Now there is over 40 million, according to the statistics from the government. I know that you all have said 140 million, but 40 million.

So regardless, it has increased. But we have spent $25 trillion. Those 40 million that is considered in poverty right now, we spend a trillion dollars a year in 80 different federal programs to help those that are in poverty. If we just took that trillion dollars and divided it up amongst those 40 million people, that would be over $20,000 a year in a check. I would say the federal government is not doing a good job at trying to get people out of poverty. Think about those numbers.

We have a poverty trap in these 80-plus federal programs. We have had people come and testify before Congress that says, you know, "I work 40 hours a week at the local convenience store. I have to get child care subsidies. I get assistance with my rent. I get food stamps. But I got a $2 pay raise, and guess what? I lost my child care subsidies. My food stamps got reduced."

There is a certain level, according to our federal programs, our welfare programs, that they push people down. And that should be a Republican and Democrat issue, is to reform that. We want people to better themselves every day, to gradually work themselves off the system. That is a way that we can do it. We don't want to keep people on the system. We want them to have a better quality of life.

So many people are worried about that security blanket. But if they can see the progress of a better life, it is good. When I go into the schools and I talk to the kids and Hayti, Missouri, or in Caruthersville, or Kennett, or Bunker, I say it doesn't matter what zip code you are born in, or what family you are born in. If you get a good education and you work hard, you can do a lot.

But love also helps. So I think the churches—being the son of a pastor, the love that you can nourish these folks is amazing.

And I could say so much more, but poverty hits home. It is an important topic. But before we can even hit it, let's get a budget done.

Thanks, Mr. Chairman.

Chairman YARMUTH. The gentleman's time has expired. I now recognize the gentleman from California, Mr. Khanna, for five minutes.

Mr. KHANNA. Thank you, Mr. Chairman.

Reverend Barber, thank you for your incredible moral leadership in this country. Thank you to all of the witnesses for taking time to come and testify before Congress.

Reverend Barber, I want to ask your wisdom and candid advice to this Committee. Representative Barbara Lee, about a week ago, led a group of us down to hear President Carter teach Sunday School. And President Carter had a hip injury, and three weeks later he is at the pulpit teaching, showing his resilience.

And there are two things he said that struck me. One, he talked about a phone call he had with President Trump, and President Trump said to President Carter, "I am concerned about China." And President Carter said, "Well, China hasn't been in a war since 1979. We have been in over 40 conflicts. And if we had taken those trillions of dollars and invested it in our infrastructure, in our education, and in high-speed rail, and in broadband, we would probably be in a much better place."

And then President Carter talked about what he thought it meant for America to be a superpower, informed by his own understanding of the teachings of Jesus and his own Christian faith. And he said what it means to be a superpower, in his view, is a place where leaders from around the world would come to Washington to seek our guidance and counsel on how to bring peace, where people would come to look to America in understanding how to bring justice.

President Carter, as I know it, is the last president who actually ran on cutting the defense budget and won. He talked about 5 to 7 percent cuts in defense.

And here is the reality, Reverend Barber. Representative Lee and I introduced an amendment in this Committee to freeze the defense spending, not to cut it, to freeze it to the levels that Donald Trump has in 2009. And we only got seven votes for that.

Now, the arguments we hear is, well, we can't shut down government. The Republicans are in charge in the Senate. The President has to sign something. We need a budget. And I am sure they are well-meaning arguments.

But, Reverend Barber, I would like your counsel to this Committee, to this Congress, given all the constraints, how do we succeed in making the case and standing up for responsible cuts in defense?

Rev. Dr. BARBER. You know, I come from somebody who—and the people here who remember—who know that we were deeply impacted by government, by Caesar, if you will. And it took religious people who had to stand up to Caesar when Caesar said, "Separate, but equal." There wasn't but one dissenter, Justice Harlan out of eastern Kentucky, that stood up to that. But he stood up. And because he stood up, he eventually brought other people to his position, and we won.

Somebody has to stand up to the lies. I have heard so many distortions here today it actually hurts my head. I mean, to suggest that work—these people work hard. We all have to tell our stories and our children—but for somebody to say, well, Jesus never said anything about Caesar. First of all, it is interesting that you all would define yourself as Caesar. That in itself is—right? I mean we need to stop for a minute to even hear that.

And then the next thing is that you have read the 2,000 scriptures in the Bible that talk about how society is supposed to treat the poor, the immigrant, the least of these. And you don't know

that Jesus started his first sermon with good news to the prototokos. That is a Greek word which means those who have been made poor by economic systems. I mean it really is shocking that folk are saying the same thing that we heard people say about slavery.

Slaves, just work hard and wait. Civil rights, we don't need to be involved. Just work hard and wait. Social Security that, you know—people saying you were against Social Security, and they said God was against it. It is bothersome that, in the 21st century, we still have these weak, tired, old mythologies, lying about the world poverty when the Russell Sage Foundation actually says that it did decrease poverty. But we left the field.

So I would say to all of us, Democrats and Republicans, we brought you people, Republicans, Democrats, white, and black, see the people. Stop just talking about how know poverty—and hear what these folk are saying, and put together a full plan to deal with this issue.

This is traumatic, to see this happening in America today, that people would stick with their partisan lines and ignore the people that are really hurting.

Chairman YARMUTH. The gentleman's time has expired. I now recognize the gentleman from Texas, Mr. Flores, for five minutes.

Mr. FLORES. Thank you, Chairman Yarmuth, and thank you, Republican Leader Womack, for holding this important hearing about poverty in America today.

I come at poverty from a personal perspective. After my family started—or my early years were in poverty. And I remember there were nights when my dad would come home after working hard and say, "Well, the soup is going to be a little thin tonight."

And we were able to persevere and ultimately prosper, but there was no Medicaid. There were no—there was no SNAP. All we got was a little bit of help from friends from time to time, from the community, and my dad's hard work. And I was blessed to be able to go to a quality public school that didn't have a lot of federal mandates or oversight over it. It was local leaders that decided how they wanted to educate their kids, and they did a wonderful job with it. And we ultimately persevered. But along the way I started working at 9, threw papers at 10, and by age 13 I was driving a tractor, building fence six days a week, 12 hours a day during the summer times.

And again, there was no federal support along the way. I am not saying the federal government doesn't have a role, I am just trying to say it is not the end-all be-all. But what it did—what my early life did tell me is that there is a value to work, and that paychecks can solve a lot of—paychecks and good jobs can solve a lot of issues. And so that leads me back to where we are today.

By all accounts, our economy is very strong today, and average hourly wages have increased by 3.2 percent, which is significantly higher than the 2.3 percent over the last 10 years. And this recovery has been broad and it has been deep. Unemployment for African-Americans and Hispanics and females is at record lows. Wage growth in the bottom 10 percent of our nation's workforce is 50 percent greater than that work—than that income growth in the top

10 percent, the first time that income inequality has shrunk in the last several years.

So a strong economy has opened a lot of doors. They lift all people. We have more jobs available today than we have people to fill them. So my view is—I come at this, again, from a perspective of how do we help people have the workforce training programs that they need, an education system that understands the needs of the future, and flexibility for students and youth to access more options to apprenticeships and technical skills?

And while we may have disagreements about how to best lift low-income Americans out of poverty and into prosperity, I believe it is important to have this discussion.

My questions start with a question for Pastor Fields. I believe one of the key ingredients for success for at-risk youth is a stable family and a stable household. Unfortunately, a lot of our at-risk youth come home to an environment that is not healthy, and they don't live in encouraging communities. Are there examples of successful anti-poverty programs that you have been a part of that address these problems for youth?

Rev. FIELDS. Thank you, Member Flores. Yes, and that is—I am hearing everybody testify, as well, about the same thing. And I am finding it hard to understand why, when the word is said, 'hard work,' why is that interpreted in a different way?

I realize all of us sitting here, everyone in this room, has worked hard to some extent. But what we are saying is—and I believe you all would agree—that even where you all sit, as representatives, in Congress and Senators, you did not do it by not working hard. And so we just need to understand what that word means.

We are saying that you have to persevere. You have to endeavor. And for me, I grew up in the same environments that everyone sitting here is testifying about. Again, my mother was on drugs, in and out of prison. My grandmother did not have federal aid. My grandmother bought a house in 1972, working as a janitor at Louisiana State University. So before the civil rights, there was no federal aid. There was no welfare and food stamps. So I am sorry if I come from an environment where I have seen that you do not have to rely on government, you can work hard and persevere, no matter how long it takes, and that is what I did.

Mr. FLORES. And that is—that takes us to our question. Well, give us examples of successful community programs that help restore healthy families so that we can have that economic success. Your story is a great one.

Rev. FIELDS. I mean, like I said, I got the food stamps for a couple years. So I am not here to say totally dissolve it. People do need help. But what I am here to say, and especially working in the real estate industry, it doesn't have to be perpetual.

Mr. FLORES. Right.

Rev. FIELDS. You know, you got families that pass Section 8 and welfare down like it is an inheritance. The Bible says we ought to lay up an inheritance for our children. And it is not government entitlement.

Mr. FLORES. Pastor Mahan, we have talked a lot about the inputs into anti-poverty programs, where we are trying to solve the

effects of poverty, but we don't look at the underlying causes of poverty. Can you walk us through?

What—what should our approach be to anti-poverty programs? Instead of looking at the—trying to solve the effects, solving the impact, going after the impacts?

Pastor MAHAN. Empowerment is—to me, I think empowerment is the key. You know, empowering a single father, empower a single mother to get back on her feet to where she can do so in a way that builds dignity, and not dependence.

To answer the other question, I would say the churches, in my opinion, have been probably some of the strongest organizations to deal with these issues, and especially the opiate piece of it in Ohio. Our faith-based opiate programs have been phenomenal all across the state, to where they are always at the governor's office talking about the successes of their programs.

In my personal life, it was the church. They got me involved in homeschooling, when everybody thought we was crazy. They got me involved—and even opportunities for employment, and things like that. And so that would be the number-one organization, I would say, that we would need to empower a little bit more, with the TANF, and things like that.

But again, can they do so, and still be able to preach Christ, and to have the same world view, and positions that basically made them conspicuous to the government in the first place? Like, you guys are doing an amazing job, but then when I give you money, "Shhh." You know, "We don't want to talk about what made you so successful."

Mr. FLORES. I want to apologize to the Chairman for going over my time, but I do appreciate all of your testimony as we work together on this very important issue.

Thank you, I yield back.

Chairman YARMUTH. Thank you. The gentleman's time has expired. I now recognize the gentlelady from Connecticut, Ms. DeLauro, for five minutes.

Ms. DELAURO. Thank you very much, Mr. Chairman. And I just want to say a thank-you to Reverend Barber, to Dr. Theoharis, and to all of our witnesses this morning. It is very, very compelling.

I just want to make a couple of points here. First, to start out with, some of my colleagues have talked about a budget resolution. Keep in mind that two years ago the other side of the aisle did not have a budget resolution; four years ago this side of the aisle did not have a budget resolution. We have moved forward with looking at Appropriations Committees that will do precisely what we are talking about doing here today—is help lifting people out of poverty.

So this is a critically important hearing. The issue of eradicating poverty, addressing people's economic security is at the heart of what we do in this body, because the biggest economic challenge facing American families is that their pay is not keeping up with their rising costs. They struggle to deal with health care, prescription drugs, and child care, and a number of other areas.

And I am reminded by a—of a quote by Robert F. Kennedy, which I think is very fitting here this morning. And his quote is, "I believe that, as long as there is plenty, poverty is evil. We live

in a land of plenty. Poverty is evil. And government belongs," he further said, "wherever evil needs an adversary, and there are people in distress." People are in distress in this country, and we are the government. And we need to have a role in what is going on here.

Let me just talk about those who would say—that say that we went to war on poverty with Lyndon Johnson and nothing happened. Wrong. We created a social safety net, and that social safety net includes Social Security, lifts 26.5 million people out of poverty. And I might add, religiously, it was Leo XIII, who is Pope Leo XIII, who talked about a Social Security program. He didn't call it Social Security, but he said we need to take care of other generations.

The Earned Income Tax Credit, the Child Tax Credit, 9.1 people—million people lifted out of poverty; the SNAP program, 4.5 million people lifted out of poverty; SSI, 3.3 million; housing assistance, 2.5 million people. We have reduced poverty in this country with the creation of a social safety net, which—there are some people who are serving today in this body would like to decimate, because they don't believe we should—government should be involved in this area.

This is not self-serving. I wrote a book two years ago called "The Least Among Us: Waging the Battle for the Vulnerable." And you know what I found when I went to look at the creation of a social safety net in this country? It was Democrats and Republicans. It was a McGovern and a Dole who said, "People are hungry in this country. We need to do something about it." It was a Jake Javits who said we need to have housing assistance for people. That is a role of government. It was the Kennedys and the Schweikerts and others who came together saying we have an economic challenge, we face it together, and we move on- on these issues.

So that—to say—when you talk about empowering something, how does a person get empowered? Just by saying, "You are empowered?" You don't do that. We need to take a look at what the problems are, and identify them.

I just wanted to make this other point. This is not—we have a social safety net in this nation. It is being frayed, and it is being decimated, and hollowed out. And if we are not willing on both sides of the aisle to stand up and make the fight for the strength of that safety net—and Reverend Barber, you talked about the supplemental poverty measure, which is the measure we currently use. And I—and when Mr. Jeffries asked you that question, you said that is the one that we should use, but we should redefine poverty.

You should know that today, in this body—and Barbara Lee and I are leading this letter—we have—there is the use of the chained CPI, which is now being talked about by this Administration, that would, in fact, create a new measure for poverty that would decrease the number of poor people, that would put more people in jeopardy. This is what the answer is by some of the folks here. This is what it is. And I am just going to ask you and advise you, please, help us to fight back on this chained CPI effort, because it is wrong, and it will hurt the most vulnerable people.

The other efforts that you need to be engaged in—excuse me, I am pontificating, you may say this—but the Child Tax Credit. We have legislation called the American Family Act, which would in-

crease the Child Tax Credit for children over six years old and those under six, the kids who are the most vulnerable in this country.

And I would just tell you that the National Academy of Sciences did a report called "A Roadmap to Reducing Child Poverty," that if we did something like the American Family Act, we could reduce child poverty by 50 percent in the next decade. That measure is coming up in short order in this body, through the Ways and Means Committee. All of the advocacy that all of you can muster needs to be focused on this Child Tax Credit that is for the most vulnerable children in the nation, and those children who have been left behind. And we could do a remarkable amount of work if we were there.

I am sorry there is no question. But there have been so many questions I felt the necessity to respond to some of the charges that were made here this morning. Thank you.

Chairman YARMUTH. Thank you. The gentlelady's time has expired. I now recognize the gentleman from Pennsylvania, Mr. Meuser, for five minutes.

Mr. MEUSER. Thank you, Chairman. Thank you, as well, Republican Leader Womack. Thank you all very much for being here with us today.

I think it somewhat goes without saying that we do have a very strong economy today. There have been 6 million jobs created just in the last couple of years. We have an unemployment rate of 3.6 percent, the lowest in 50 years. Opportunities are there.

When I got into the workforce, it was 1987. And these times are reminiscent of those times. There are choices there. There are opportunities. And we still are a nation where people can move from low income to high income. I don't think that is terribly disputed.

Now, on the same note, I am in a district where our unemployment rate is higher in Pennsylvania, and the—Pennsylvania's 9th—than the national average. And the opportunities perhaps aren't exactly what we want them to be, but we are going to continue to work for that.

There—personal charities are very important, as well. I have experienced and worked with—from the United Way, to Head Start programs, to something that was—an organization up by me known as the Willamette Valley Children's Association I was the Chairman of for a couple of years. They are very important. All of us here have seen firsthand the need to provide a hand from time to time, and sometimes longer than that. So that goes without saying.

JFK also did say that the best form of welfare is a good-paying job. So I would like to first ask Pastor Fields and Pastor Mahan. You both have exemplified effort and courage, but sometimes in our society effort and courage aren't enough. They do require purpose and direction. So could you share with us how you found your purpose and direction, and how you found it?

Rev. FIELDS. Number one, I know for a fact I found mine in Christ, you know, as Pastor David said earlier. It is in the things of God that I found my strength and my purpose. And also, in finding Christ I found the sense of family, how important family is. And so, when we cover ourselves with Christ's presence and his

family, that is how you find your sense of purpose. That is where your strength comes from.

And so, for me, that is my personal testimony. My faith in Christ, and me and my husband raising our children, and we are seeing the strength of family is how we are surviving. That is how we are protected, because we have family.

Mr. MEUSER. All right, thank you.

Pastor Mahan?

Pastor MAHAN. Yes, it is—you know, I am right there, as well. And again, I am not here to debate anybody. I am here to give my testimony, something that has been done, something that has succeeded. And I am just saying that the reason for that success is Christ.

And I noted that, you know, we are in a—you know, we are at the Capitol and everything, but the reality is that is my inspiration. Trust in the Lord with all your heart, lean not into your own understanding. In all of your ways acknowledge him and let him direct your path.

He directed me to homeschooling, He directed me away from the public system that was failing our community, He is the one that directed me to the people that gave me opportunities for employment and opportunities to increase my, you know, education, and things like that.

And now I end up here to share my testimony. And somehow I don't want to communicate that somehow it was the government or some great works of David Mahan that did that. It was Christ, and Christ alone. And as simplistic as that answer is, that is my answer.

Mr. MEUSER. To empower you, to create opportunities, to motivate you, to make you want to make the most of the day——

Pastor MAHAN. Yes, to get my head up off the pillow, to keep working, to keep directing my children in the path that they should go.

Again, you know, the context of poverty is important, and family, and that context, man, you can get through anything. And what I was bringing up earlier with the whole beginning of the war on poverty is that this is something we need to talk about. Seven percent of kids were being raised in homes without fathers. After it, now we have 42, 50 percent of Latinos, 72 percent of African-Americans. We have destroyed the context that allows people to overcome any obstacle, whether it is poverty or anything else. And that needs to be addressed.

Again, I am not against, you know, public endeavors and government endeavors to avoid poverty. However, I am against them if they subvert that unit of the family.

Mr. MEUSER. All right. Thank you, Chairman. I yield back my time.

Chairman YARMUTH. The gentleman's time has expired. I now recognize the gentleman from North Carolina, Mr. Price, for five minutes.

Mr. PRICE. Thank you, Mr. Chairman. I, too, want to thank our—the leadership of our Committee for holding this hearing. And I want to thank all of our witnesses.

Of course, I want to pay a special greeting to Reverend Barber. His work as the leader of the Moral Monday, the inspiration and the leader of the Moral Monday movement in North Carolina, has as moved our state. And now, to have that work transformed to the national—transferred to the national level with the Poor People's Campaign, we are appreciative, and have great hopes for this movement.

A lot of talk this morning about our own personal histories and personal experience. I will reflect briefly on that. I do want to then have a—pose a question. I had the good fortune to come to social and religious and political maturity as the civil rights movement swept across the South. One of the things that the civil rights movement, I think, taught us was that individual morality is not enough. In religious terms, we need to rediscover the Hebrew prophets.

You know, I grew up surrounded by upstanding people, self-reliant people, loving, kind people. And I learned a lot from them. But I also learned, as I looked around the community, that many of those same people were perpetuating systems that denied other people their humanity, either through their active perpetrating of such systems, or their failure to challenge such system, social and political systems that were denying others their humanity. And the civil rights movement spoke to that. Our faith is not just about our individual morality and self-reliance, it is about the kind of community we wish to be. Rediscover the Hebrew prophets.

And when it comes to providing for our children, of course, we provide for our children, but we have to care about other people's children. We have to care about the kind of educational opportunities that are available across the community. It is not just about protecting ourselves or withdrawing. It is about working for a public education system, I would say, that serves the entire community, and that lifts up the entire community. That is what our faith requires us to do, not simply to provide for ourselves.

I have a particular role here, with—as the Chairman of the Transportation and Housing Appropriations Subcommittee, and so I want to just put an issue on the table, realizing that I have taken a good bit of the time that might be used for an answer. I want to talk about evictions.

The affordable housing crisis in this country has many dimensions, but one of them is rising eviction rates and foreclosures. This is a problem across many communities, it does have a particular effect in communities of color. I won't give the statistics, except to say that we have virtually erased all the gains made since the Fair Housing Act in 1968, by virtue of the rate of foreclosures and evictions. And black homeownership has declined, as a result, in the last 10 years, declined 7 percentage points. And now TARP and other programs designed to deal with this are winding down.

So my question, Dr. Barber, for you and for any others who want to chime in, is what—you have a section in your budget on affordable housing, which we are glad to see, and will study carefully. What would you say, though, about eviction rates and foreclosures, and the kind of effect that has had, is having on community health and well-being, as TARP points down? How might we carry forward such efforts as we have made here? And, of course, these ef-

forts have not been totally successful. But I would just appreciate your reflections on that issue.

Rev. Dr. BARBER. Let me yield to Dr. Theoharis and just continue to say we have to look at all of this comprehensively. But let me yield to her.

Rev. Dr. THEOHARIS. So I just want to start by saying I am stunned that basically we have had unanimous acknowledgment that poverty is widespread across this country. We have pulled a group of testifiers who are deeply, personally impacted by these problems. They are in the room, and people are not talking to them. People are not asking questions about how are we going to solve this problem of homelessness, and an increased rate of evictions.

And then people are being blamed for the problems that this society has caused. How is it that you can say the war on poverty failed, when it is politicians who de-funded that war? How can you say that Head Start is a personal charity when it has lifted 65 million children out of poverty since it was started? So it feels very important to me to say we need a real serious conversation in this country led by those that are most impacted.

And I love this question of does the Bible say anything about what nations, what Caesars are supposed to do? Because Matthew 25, says, "I was hungry" to the nations, not to a church, not to a charity, not to a an individual. I was hungry, and what did your nation do? I was homeless and did you cut public housing, or did you start building new public housing? I was homeless, and did you allow banks to be bailed out, but families who owe more on their houses than they are worth to become homeless?

We have a moral crisis in this country. It is a crisis when 250,000 people can die every year because of poverty, and people in this Committee can admit that in your towns there are people hurting. But what are you going to do about it? What are you going to do about it now?

And when we talk about housing subsidies, we heard the power of them. You got a loan, you were able to get a house. That is government helping out. You were on food programs. That is the government helping out. We need more of these programs. We need to lift wages. How is it possible that in this country there is not one county where, if you are working minimum wage, you can't—you can afford a two bedroom apartment.

Chairman YARMUTH. Reverend——

Rev. Dr. THEOHARIS. So we got to connect this housing, and this poverty, and these wages, and lift the load of poverty.

Chairman YARMUTH. Thank you very much. The gentleman's time has expired. I now recognize the gentleman from South Carolina, Mr. Timmons, for five minutes.

Mr. TIMMONS. Thank you, Mr. Chairman. I want to thank all the witnesses for taking the time to come and testify before us today. Poverty is a serious issue in this country and in my district, and I look forward to working with all of my colleagues to do everything we can to improve the lives of everyone.

My colleague, Mr. Hern, is particularly passionate about this, and I would like to yield the remainder of my time to him. Thank you.

Mr. HERN. I thank my colleague from Pennsylvania—from North Carolina, rather. Oh, South Carolina. One of the Carolinas. Yes, sorry.

[Laughter.]

Mr. HERN. No, I really appreciate the opportunity.

Mr. Chairman, this is something that is very near and dear to my heart, and the Ranking Member knows this. I have spent a lifetime working to help people get a first job. I always say that the only way you really know how something really, truly affects people is having lived it. And many of you have read my story before you came in, and—looking at the panel.

But I grew up in extraordinary poverty. And, you know, I appreciate what you all are doing here, I really do, because I think it is something we need to address in this country. And not only here, but, you know, we have got issues around the world that, you know, so many people are involved in. But I always say, before we help around the world, we should look at our country, as well. This is still the greatest nation on this planet. But we need to do a better job of doing things to help people that really need it.

You know, I looked at a lot of things that Martin Luther King said, and I think we all look at how to solve a problem, and there are multiple ways to solve a problem. He—I look at his dream, and I think of what he said, he said, "Change does not roll on the wheels of inevitability, but comes through the continuous struggle. And so, while we must straighten our backs and work for our freedom, a man cannot ride unless your back is bent (sic)," I agree with that completely.

I am a product of—like some of these folks have said in here, I am a product of being in poverty and found the only way out was to work my tail off. And I am here today at 57 years old, soon to be 58 years old, to say that there are times the safety net—I wouldn't be here today, I am certain of that—the safety net of getting a helping hand was very instrumental in my early life.

It didn't start out that way, though. What I had happen was—is my mother got married at 15 years old to a fellow who was in the Air Force at 24, who was my dad. Less than a year later, they had my sister, who died two hours after birth from spina bifida. And a year later I was born, and my brother was born 18 months after that. We lived on a Air Force base in Wichita, Kansas. In 1968, when he went to Vietnam for the third time, a young mother of two—of three, really, couldn't take it anymore, and moved us to the Ozark Mountains in Arkansas, and she married a guy who did not like to work.

And because of that, that was the first stage, the first time in our family history that we ever lived on government subsidies. And it wasn't because he couldn't work, it was because he figured out how to manipulate the system, how to declare himself insane so he could check himself in and out, so he could use that to further get subsidies from the federal government. I lived that way from the time I was seven years old until I left home at 17 years old.

I remember the embarrassment very—I was the oldest, because my mother went on to have three more children with him. My oldest sister with him has spina bifida. She has had it since—she just

turned 50 two weeks ago. Her daughter, oldest daughter, has spina bifida.

I understand what you are saying, ma'am, and it is a terrible tragedy. I have lived that life. And I have also, as I have said, I have seen the way out. And I am not saying a lot of time just work a lot harder. But, you know, this—what we have had the opportunity to do in this country is to provide helping hands so people can get a start in life.

I—for the first—until I was in eighth grade, had no running water. We lived on food stamps until the time I left home at 17. No indoor plumbing until I was in eighth grade. We moved houses. People thought my step-dad was in the military. It wasn't because of that, it was because he wouldn't pay the propane bill, he wouldn't pay the rent, he wouldn't pay for anything. And we moved from everywhere. We would drive cars and trucks, and I would sit on the fender, and hold the gas can, because the fuel pump wouldn't work. I have seen bad stuff.

And I am also here today to tell you I have been in Congress now for seven months, and I came here not because I needed another job, because I wanted another career, it is because I wanted to make a difference. And that is what it is all about. You have to have people here who have truly experienced it, not read it in a book, not seeing it on the TV show, not watching a movie, some people that have actually seen what you can do in this country, still the greatest country in the world.

It is the American Dream to come to a place where you have the opportunity to be as poor as you want to be or as wealthy as you want to be.

I heard a guy say one time the bus leaves town every day. And I got on that bus and I never looked back. I am not saying it was not ups and downs along the way, but it has been a tough road. It has not been easy. There is no doubt that people that I know today think I got everything given to me, everything. And it was never that way.

And I have never taken a dime from the federal government. I am not saying I am proud of that, but I just said it was my mission in life to do whatever I had to do, not to do that. And does that mean I am critical of those who do? I am absolutely not.

But I am here to help people get a job, a better job, and a career.

I will tell you what I think has happened in this country, is that we have kind of lost what that journey is. I worked three jobs—I mean, when I was young I would go to California, we would pick cherries, live in cherry fields and olive fields all the way through summer, come back. You know, I got married when I was 19 years old, worked hard, got an engineering degree, worked three jobs in college, all this kind of stuff.

Chairman YARMUTH. You are a minute over your time, and you have got your five minutes coming.

Mr. HERN. Okay, thank you. I will get the rest of that when I come back.

Chairman YARMUTH. Thank you. The gentleman's time has expired. I now yield five minutes to the gentleman from New York, Mr. Morelle.

Mr. MORELLE. Thank you very much, Mr. Chair, for yet another important hearing that you are holding. And I want to thank all the witnesses for being here today and sharing your personal stories.

In particular, Ms. Greer, I lost my daughter to breast cancer, so I am particularly grateful to you for demonstrating the courage to be here and sharing your story, as well.

I think the testimony today shows how vital federal safety net programs are to so many people's survival throughout our country. And I would echo the comments of many of my colleagues. I am very familiar with the critical need for many of these programs, as Rochester, New York, which I represent, has an overall poverty rate of 33.1 percent, with the percentage of children living in poverty sitting at 52 percent, the second highest in the United States.

And we need to recognize that individuals and families impacted by poverty are fighting, literally, for their survival. From affordable housing to food insecurity, from transportation barriers to adequate child care, the challenges are overwhelming. And more often than not, leave far too many people trapped in a perpetual cycle of hopelessness.

So I want to take just a few minutes allotted to me to discuss the need to develop an integrated system of supports for individuals and families living in poverty, in crisis. And if I might quote Dr. King, aptly he once said, "There is nothing new about poverty. What is new, however, is that we have the resources to get rid of it." That is what inspired some of the work we have undertaken in my district. I want to take a moment to just describe it, and then ask a couple of questions.

In the summer of 2017, I helped convene over 40 individuals and leaders from health, human service, and the education sectors to discuss the current state of disconnected services, the poor outcomes that result, whether it—and whether a single integrated system of supports had the potential to deliver better results for people in our community.

And out of that conversation, hundreds of people in our community—educators, social service providers, health care providers, and people impacted by poverty—have created the Systems Integration Project, and it recognizes the impact of structural racism, the need for trauma-informed care, and the need for community building. And it aims to provide comprehensive, connected supports that link program silos together, the fragmentation that we often see. And we hope to move people from crisis to self-sufficiency.

So I do want to talk about the way we deliver services. And perhaps, Dr. Barber, maybe you could just reflect and give me some thoughts about how the current fragmentation, and the different silos, and people needing to move from program to program, and—to get eligibility and continue to fill out forms, to be moved around, have you seen the impacts of that? Is that something that troubles you? Is it something that the Poor People's Campaign has thought about, in terms of how better to deliver the actual services that we do have?

Rev. Dr. BARBER. Well, first of all, let me just say part of the problem is, yes, we have poor people chasing here and there. We have siloed these issues that can't be siloed. That is what we have

said, poverty, systemic racism, systemic ecological devastation, a war economy must be seen together.

But I want to also say some other concerns. And I am like Liz we have here. It is almost as though people are afraid to talk to poor people who would challenge the system. They would rather talk to poor people who say, "Everything is just fine. We just work hard." That is not true.

We are not talking about working hard. Living wages—we are saying folk ought to have a living wage if they work hard. They ought to have health care. We are saying what—we are saying that this is not some kind of government handout. This is the fact that 62 million people in this country work every day without a living wage. And if you just raise it to $15, you would have over $300-and-some billion going into the economy.

It is amazing to us, as people of faith, and we sit here and look—and we are showing—this is showing the moral crisis: We never say this to business when they fail. When people fail, "We want to love you, and work hard. And we all got a story about poverty." When businesses fail, let's find the money. Let's find the money to lift them up. Let's give them government welfare, corporate welfare.

And instead of talking about, wow, this article just came out, a moral economy would save taxpayers billions of dollars. If we had immigration reform, it would save and lift people up. If we had eliminate—we could eliminate child poverty, universal single payer would empower this economy. Free higher education. If we invested in true voting rights, if we had Pentagon cuts, if we had an end to mass incarceration, if we had invested to give people safe drinking water, job creation, living wages, climate justice.

We are not—we are talking about lifting this country up, not about everybody giving us—I could tell the story of poverty, and I say to people who say that story—just because society failed you then doesn't mean it ought to continue to fail now.

It is tragic in a society where our first constitutional duty is to establish justice and promote the general welfare—the general welfare—that we would allow the injustice of poverty—43.5 percent of poor people are poverty—and people here who could teach this society. And we would walk away from our constitutional values, and walk away from our spiritual values that tell us that it is dangerous for a nation not to lift up the poor.

I tell you that we have a deeper moral crisis, and this is why we need this Committee to go out and organize even more and more and more poor people until folk are willing to listen to the people who are hurt and beat up every day about what must be challenged and changed.

Chairman YARMUTH. The gentleman's time has expired. I now recognize Mr. Hern again. I didn't charge you—I won't you——

Mr. HERN. I am back.

Chairman YARMUTH—FOR THE EXTRA MINUTE, BUT I WILL HOLD YOU TO YOUR FIVE MINUTES THIS TIME.

Mr. HERN. No, thank you, Mr. Chairman——

Chairman YARMUTH. The gentleman is recognized.

Mr. HERN. I appreciate it. And again, I want to thank the witnesses for being here today. And I—you know, Reverend, I agree

with you 100 percent. We have got to listen, we have got to do more. I would—I have gone back and studied this a lot. It is one of the reasons I ran, because, you know, again, you heard my story.

And I will abbreviate it by saying this: I had the opportunity—kind of fluke, how it happened—to get into McDonald's Corporation, or into the franchising program as an assistant manager. And I worked my tail off, created three jobs, learned how to be a computer programmer when I was in college. I was very blessed to get my first McDonald's restaurant in 1997. It was the last time I signed—that was the first time and the last time that I ever worked for anybody else, other than myself.

The thing that is interesting about it is, as most know, entry-level jobs, that was not satisfying to me. I worked at minimum wage when I was dipping pickles at the pickle plant when I was 16 years old.

The point being with this is I made it a mission in life to figure out how to get people accelerated, teach them how to work, teach them how to pay taxes, teach them how to appreciate things. And we have had a lot of folks that have come up with minimal education making $60, $70,000 a year. I don't—all my average wages are way above Oklahoma's living wage. We offered insurance. People have insurance. Long before Affordable Health Care. I think it is critical.

I think what has happened in America, as I have looked back over the last 20 years, when you look at real wages in America, they are about the same as they were, while everything else has gone through the roof. Cars are doubled, houses have doubled. We have shipped those great-paying jobs that—for entry level and middle class overseas.

And I think, if you look—regardless if you like President Trump or not, if you look at what has happened by bringing jobs back to America, that is what it is all about, bringing good-paying jobs back to America, so that folks have the ability to transition off of the helping hand into a entry-level job that quickly accelerates into a middle-class job that can quickly accelerate into a career.

Rev. Dr. BARBER. You don't believe that should start with a living wage?

Mr. HERN. You know, it is according to what the person is. If it is a person who has got kids——

Rev. Dr. BARBER. A human being that created by God. They shouldn't start with a living wage, if they are working 40 hours a week?

Mr. HERN. If they are 16 years old, living at home, that might be different.

Rev. Dr. BARBER. I am talking about—if they are 16, or 18, or 19, or 20, shouldn't they have a living wage?

Mr. HERN. Sure.

Rev. Dr. BARBER. A living wage.

Mr. HERN. If they are living by themselves, and yes. I mean I worked my tail off——

Rev. Dr. BARBER. They should have a living wage if they got two people in a house, but they should have a living wage if they——

Mr. HERN. Well, again, we have to look at the numbers. You have got stats. I will look at the facts, as well. Again, I——

Rev. Dr. BARBER. I hope we can. I really want to talk to you, because I believe that down in there there is a heart somewhere.

[Laughter.]

Rev. Dr. BARBER. I want to get with you brother. I want to get with you. Maybe you can save the other folk that just want to blame the poor.

Mr. HERN. No, I don't blame the poor.

Rev. Dr. THEOHARIS. Especially when wages have stagnated, especially when wages have stagnated for the past 40 years.

Mr. HERN. Oh, sorry?

Chairman YARMUTH. You control your time, Mr. Hern. You can do whatever with it. You can continue the dialogue——

Mr. HERN. No, no, Mr. Chairman, I appreciate it. And again, I just want to thank you for the passion in this group, because it is something we all should be concerned about. And I know everybody is.

And you came in here with the statement, Reverend, that said this should be a bipartisan issue. And I agree, 110 percent, that it should be a bipartisan issue, and we should do everything that we need—we should look at the things we are doing to help folks rise out of that poverty when times are bad. We heard it from our folks on our side.

And also we should look at how we get them—because, as you said, you want folks to get a job, and you want them to be moving forward, because it is not just about working hard. A lot of people work really hard. There is some bad things that happen out there, some bad things that happen. And how do we take care of them?

And I have seen it firsthand. I have lived it firsthand. I have seen folks—as you all know, there are people who start at McDonald's that has had a tough life. I have listened to those. I have had folks who have had their wives killed, you know, and the list goes on and on. I have been there to help them. I don't go broadcast this, because that is what—you don't do that, as a person that is trying to help somebody, when you are in business.

I am here now in a different role, a role to go back and represent my district and those folks who elected me, because they heard my story time and time again, and had time to proof it out. And so that is why I am here. I want to help.

Mr. Chairman, I yield back my time.

Chairman YARMUTH. The gentleman yields back. I now recognize the gentlelady from California, the Chairwoman of the Poverty Task Force in the House, Barbara Lee from California, for five minutes.

Ms. LEE. Thank you very much, Mr. Chairman. Let me thank you and our Ranking Member for putting this very important hearing together today.

And let me thank Bishop Reverend Barber. Let me thank Reverend Theoharis, and let me thank all of you for being here today, because you are truly bearing witness on behalf of the poor and the near-poor who are living on the edge in the wealthiest country in the world.

Now, I want to thank you also for leading the Poor People's Campaign, and calling it a national call for moral revival, because that is what it is, and for all of your moral clarity.

You remind me today of Dr.—another one of Dr. King's speeches, which he gave at Riverside Church, when he talked about society's three evils: poverty, racism and militarism, which still loom large today in our own country. Now, let me just mention a couple things.

First of all, as someone who was on food stamps and public assistance, I know just how important your presence is here today, and how important your voices are. But let me tell you, when I was on public assistance, I was able to buy a house because of a government policy that allowed people on public assistance to purchase a home. I was able later to go to college, and it was because of government policies that promoted and allowed for affirmative action and the civil rights movement. I was allowed later, before coming to Congress, to establish and own a business. I had 450 employees, union workers, good-paying union wages, good-paying jobs. I was able to start my own business because of government policies that allowed for that.

I received the opportunities through many years of struggle by so many people and so many organizations who forced our government to—the war on poverty—to establish policies that would provide those opportunities so that myself, as a young African-American black woman, would have some opportunities to achieve justice and parity. Now we see all of these policies being, unfortunately, rolled back.

Many of you know that I have worked with a group of non-denominational clergy members—we call it the Circle of Protection—to highlight and make recommendations on the intersection between racism and poverty. It is a document called Unity Declaration on Racism and Poverty.

Mr. Chairman, I would like permission to insert this document into the record.

Chairman YARMUTH. Without objection, so ordered.

[The information follows:]

CIRCLE of PROTECTION

January 29, 2017

Dear Members of Congress,

As the president and Congress are preparing their plans for this year, almost 100 church leaders—from all the families of U.S. Christianity—are sharing a common "Unity Statement" on racism and poverty. As Christians, we are grounded in God's love for all people, and we feel called to ask our churches and political leaders of both parties to work together to overcome racism and poverty which are theological, biblical, and gospel issues for us, not merely political or partisan ones.

This moment in time and the clear movement of the Spirit have brought diverse multi-racial church leaders together over the last several months for dinner conversations and times of prayer. Out of those moving times together, we developed a Unity Statement on Racism and Poverty. It has attracted many more racially and theologically diverse church leaders and is now embraced by the Circle of Protection, the broadest group of Christian leaders focused on poverty. The leaders who have signed this statement are from African-American, Hispanic, Asian-American, Native American, Evangelical, Catholic, Pentecostal, and mainline Protestant churches; and many national faith-based organizations. We are all committed to help build a fresh, newly energetic, multi-racial Christian movement to make the integral connection between racism and poverty and seek the spiritual power to end both. We are also committed to working in alliance with other faith communities on the crucial intersection of racism and poverty as it is worked out in public policies. While the Circle of Protection is a Christian group, we believe this statement reflects the values and principles of people of diverse faiths.

We are purposefully sending you this statement before you go to your respective retreats. In addition to reading this statement thoughtfully, we ask for the following three things: first, we ask you to discuss this statement and the issues central to it—racism and poverty— at your retreats; second, we ask you to incorporate these concerns into your policy decisions and legislation in 2018 and beyond; third, we ask you to convene meetings with faith leaders in your communities to plan follow-up action on these issues in your states and districts. Racism and poverty are systemic issues that are central to the Bible and the teachings of Jesus. Therefore, they are critical to policy choices made by political leaders of faith and conscience. We will be following up with you directly to see how we can be helpful and useful to you as you consider these deeply biblical and theological issues.

We believe if we Christians from diverse backgrounds and traditions were known, not mostly for our divisions, but for our unity in a shared commitment to faithfully address both racism and poverty—together—it could be powerful force—both for our churches and the country. So help us God.

Rev. Jim Wallis	Dr. Barbara Williams-Skinner	Rev. David Beckmann	Rev. Carlos Malavé
President and Founder, Sojourners	Co-Convener, National African-American Clergy Network and President, Skinner Leadership Institute	President, Bread for the World	Executive Director, Christian Churches Together USA (in his personal capacity)

Unity Declaration on Racism and Poverty

A diverse body of Christian leaders calls on the churches and Congress to focus on the integral connection.

Unity Declaration on Racism and Poverty

As leaders from diverse families of U.S. Christianity, we are called by the Spirit to work together with new urgency against the resurgence of racism and the persistence of poverty in America. We see around us an increase of harmful attitudes and policies toward people of color and people in need. That painful reality and the current push for trillions of dollars in cuts to anti-poverty programs are bringing us together in a new way. While we have different positions on other questions, we are united on the gospel and biblical teaching on poverty and racism—feeling invited to do so by the grace of God in Jesus Christ.

We believe that racism and poverty are theological issues.

The integral relationship between poverty and racism unifies us against both. They are both issues to which the gospel of Jesus Christ speaks—which also calls us to love our neighbors, without exceptions. Our unity on these issues is because they are theological issues for us, not merely political or partisan ones. These fundamentally biblical concerns challenge all of us and both of the major political parties.

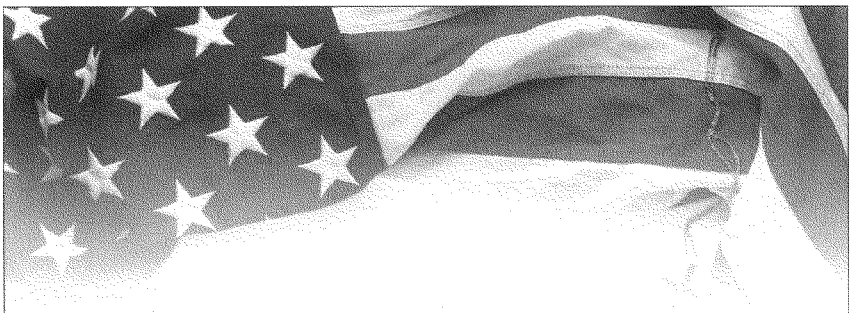
Racism is a sin that goes back to the founding of our nation. At its root, racism is in conflict with the opening declaration in Genesis 1, that we are all made in the image and likeness of God. Racism literally throws away the biblical principle of imago dei—the image of God in all of us, with no exceptions. Racism is a sin against God and all of God's children. Therefore, the whole counsel of God calls us to preach against the sin of racism from all of our churches' pulpits and call for repentance.

The body of Christ is perhaps the most diverse racial community in the world. When people of color in the body of Christ suffer—while many white members of the body of Christ do not acknowledge their pain—we are violating the principle laid down in 1 Corinthians 12: that we are one body with many parts, who suffer with and honor one another. As Galatians instructs us, "there is no more Jew or Greek, bond or free, male or female, because we are all united as one in Christ" (3:28).

The historical sin of racism lingers on in America today, continuing and evolving in our social systems of economics and education, policing and criminal justice, housing and gentrification, voting rights and suppression, in our racial geography, and, painfully, in the continued segregation of our churches, which adds to our own complicity. Racism is more than individual behavior, language, and overt hostility toward particular people. Racism is systematic and structural in America and harms people of color in very specific, measurable, and tangible ways.

The failure to defend the lives and dignity of people living in poverty, by individuals or governments, is also a sin against God, with 2,000 verses in the Bible clearly outlining God's fundamental concern for people who are poor, vulnerable, and oppressed, instructing the people of God to protect and help them and holding political leaders responsible for them. Jesus says, in Matthew 25, that how we treat the "least of these" is how we treat Christ himself.

The world and our country have made progress against poverty in recent decades. It is possible to make further progress—perhaps virtually end—hun-



ger and extreme poverty in our time. We see the alleviation of material misery as an experience of God's loving presence in our own time, and believe that God wants us to seize this opportunity.

To our churches:
What we are doing and can do.

Most of our churches are active in helping people in need, struggling people within their congregations or in their communities. We need to do more, but many of our churches directly help millions of people every day. Local church leaders often work to bridge the racial divides in our communities, and many are searching for authentic and specific ways to address the rise of white supremacy.

Since the God of the Bible requires social justice and charity, our churches and many of our members also work to influence public policies. Christians have a wide array of political viewpoints. But a majority of the leaders of national church bodies have spoken out repeatedly against cuts to programs that provide help and opportunity to hungry and poor people in our country and around the world. We have also spoken out against renewed expressions of white racism, ethnic nationalism, and hateful attitudes toward people of color, immigrants, refugees, Jews, and Muslims. Many of us are active in support of immigration reform, criminal justice reform, and voting rights for all.

We are deeply troubled by the budget proposals coming from Congress and the president. They outline more than $2 trillion of cuts in programs for hungry and poor people in our country and around the world. These cuts would hurt struggling people of all races, including millions of low- and middle-income people who need safety-net programs at some time in their lives. The hardest hit would be African American, Latino, and Native American communities, where the poverty rate is already high, and among people in the poorest countries in the world.

The threat over the coming year of this broad assault on anti-poverty programs that support families struggling to make ends meet is unifying us—bringing us together in a more vigorous, multiracial Christian movement to maintain a circle of protection around all people in poverty and God's children of color in particular, who are disproportionally impacted.

To Congress and the White House:
Our united appeal for healing and reform in our nation's politics.

We appeal to the president and Congress to work together for the common good. We especially call upon political leaders who are also people of faith to protect all the people in our country and world who are struggling with economic deprivation and frustration, hunger and poverty, disability and disadvantage—and racial bigotry that often contributes to inaction and hard-heartedness.

God's love for all people moves us to reach out to people and leaders all across the political spectrum. We respect and pray for all those who are in authority—that our nation and world "may lead a quiet and peaceable life" (1 Timothy 2:1-2). Conservative and liberal people, and those with differing political philosophies, may disagree on how to live up to our nation's ideals, but our loving God calls all of us to work together for liberty and justice for everyone.

We appeal to all people, especially Christians, to actively work against racism and poverty—in their personal and local engagement and as advocates for public policies that foster racial equity and healing, shared prosperity, and peace in our country and worldwide. The spiritual power of a fresh, energetic, multiracial Christian movement against both racism and poverty is our prayer. So help us God. ■

SIGNATORIES

Rev. Eddy M. Alemán, Strategic Director of Leadership Development and Hispanic Ministries, Reformed Church in America

Rev. Dr. David Anderson, Founder/Senior Pastor, Bridgeway Community Church; President and CEO, BridgeLeader Network

Archbishop Vicken Aykazian, Diocesan Legate and Ecumenical Director, Armenian Orthodox Church

Bishop Carroll Baltimore, President and CEO, Global Alliance Interfaith Network

Dr. Jay Barnes, President, Bethel University

Bishop George E. Battle, Senior Bishop, AME Zion Church

Rev. David Beckmann, President, Bread for the World

Rev. Traci D. Blackmon, Executive Minister of Justice and Local Church Ministries, The United Church of Christ

Bishop Charles E. Blake, Presiding Bishop And Chief Apostle, Church of God in Christ

Rev. Samuel Borbon, Associate Missioner for Latino/Hispanic Ministry and Program Development, Episcopal Church USA

Rev. Dr. Peter Borgdorff, Executive Director Emeritus, Christian Reformed Church in North America

Carol Bremer-Bennett, Director, World Renew USA

Dr. Amos Brown, Chair, Social Justice Commission, National Baptist Convention USA, Inc.

Bishop Rosetta Bryson, Presiding Prelate, The Reconcile Group

Sister Simone Campbell, SSS, Executive Director, NETWORK Lobby for Catholic Social Justice

Dr. Tony Campolo, Co-Founder, Red Letter Christians

Rev. Galen Carey, Vice President of Government Relations, National Association of Evangelicals

Mr. Patrick Carolan, Executive Director, Franciscan Action Network

Mr. John Carr, Director, Initiative on Catholic Social Thought and Public Life, Georgetown University

Dr. Iva Carruthers, General Secretary, Samuel DeWitt Proctor Conference

Dr. Fernando Cascante, Executive Director, AETH & The Justo Center

Rev. Noel Castellanos, President, CCDA

Rev. Walter Contreras, Vice President, NaLEC; Pasadena Presbyterian Church

Dr. Leslie Copeland-Tune, Director, Ecumenical Poverty Initiative

The Most Rev. Michael B. Curry, Presiding Bishop and Primate, The Episcopal Church

Rev. Joshua Dubois, Founder and CEO, Values Partnerships

Rev. José García, Senior Advisor for Prayer and Strategic Initiatives, Bread for the World

Mr. Vince Gonzales, Chair, Racial and Social Justice Task Force, Churches Uniting In Christ

Rev. Wesley Granberg-Michaelson, General Secretary Emeritus, Reformed Church in America; Chair of Board of Directors, Sojourners

The Most Reverend Wilton D. Gregory, Roman Catholic Archbishop of Atlanta

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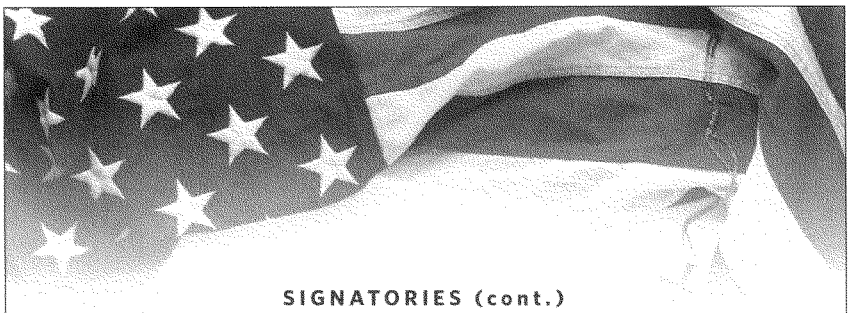
Rev. Teresa Hord-Owens, General Minister, Christian Church (Disciples of Christ)

Dr. Joel C. Hunter, Faith Community Organizer; Chair, Central Florida Commission on Homelessness; Chair, Community Resource Network

Hyepin Im, President and CEO, Faith and Community Empowerment

Rev. Dr. Dale T. Irvin, President and Professor of World Christianity, New York Theological Seminary

Rev. John K. Jenkins, Pastor, First Baptist Church of Glenarden and Board Member, National Association of Evangelicals



SIGNATORIES (cont.)

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Eric LeCompte, Executive Director, Jubilee USA Network

Rev. Dr. Jo Anne Lyon, General Superintendent Emerita, The Wesleyan Church

Mr. John Lyon, President, World Hope International

Rev. Carlos Malavé, Executive Director, Christian Churches Together

Sister Donna Markham OP, PhD, President and CEO, Catholic Charities

Rev. Dr. Walter Arthur McCray, President, National Black Evangelical Association

Rev. John L. McCullough, President and CEO, Church World Service

Bishop Vashti McKenzie, 117th Elected and Consecrated Bishop, AME Church

Bishop Darin Moore, Presiding Prelate of the Mid-Atlantic Episcopal District, AME Zion Church

Rev. Dr. Otis Moss, Jr., Co-Convener National African American Clergy Network

Rev. F. Salvador Orellana, National Coordinator for Latino Ministries, Intercultural Ministries American Baptist Home Missions Society

Rev. Rubén N. Ortiz, Latino Field Coordinator, Cooperative Baptist Fellowship

The Most Reverend Richard E. Pates, Roman Catholic Bishop of Des Moines

Rev. Dr. James C. Perkins, President, Progressive National Baptist Convention, Inc.

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Agustin Quiles, Orlando, Florida

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Rev. Jim Winkler, President and National Secretary, National Council of Churches

Bishop Jesse Yañez, Director, Church of God of the Prophecy N.A.

Ms. LEE. Thank you. Because many of these recommendations incorporate many of the line items and the budget recommendations which you have presented in terms of the moral budget, we also must begin to repair the damage for the inhumane government-sanctioned institution of slavery, which continues to be manifested today in systematic and institutional racism.

But your recommendations in the poor people's moral budget, it puts us on a path to closing these economic and racial disparities, not only for African-Americans, but for the 140 million who are poor and who are low-wealth individuals.

And so I thank you for putting forth a budget, and a plan, and a roadmap where we know we can do this: raising the minimum wage to a living wage; universal health care; federal investments in affordable housing; lowering the cost of prescription drugs; child tax credit, all of your recommendations are recommendations which this Committee should embrace.

And so I wanted to ask specifically regarding one of the recommendations, the $350 billion in annual military spending, and what this would do if we were able to finally have the political will to look at the Pentagon budget, how this would begin to help us reduce poverty in America, and addressing the economic inequality which we once again see each and every day, which you all are fighting to ensure that we eliminate and end.

Rev. Dr. BARBER. Representative Lee, can I say something? If his time has run out, I hope we can get his back that he gave up.

But anyway, we—first of all, we are taking—53 to nearly 60 percent of every discretionary dollar is going to our militarism. Less than $.16 is going toward health care and infrastructure, the things that will lift us out.

But there is another piece we have to add to this, and I want to bring this as a race piece. Liz and Callie and I talk about this all the time. In this country, every state that is a voter suppression state, there is a high poverty state, high child poverty state, lack of health care state, low living wage state. And guess what? The people who get elected, the racist voter suppression, they then turn around and pass policy to hurt mostly white people. Let that sink in this room. The people who use racialized voter suppression end up passing policy that hurt mostly white people, because they are more poor whites in raw numbers—not in concentration—than there are black.

We have to—and if we don't get the voting piece right, we are never going to get people in these offices that will deal with the military issues and those kinds of things. So there is a direct connection between racialized voter suppression and the poverty that concentrates in people of color's lives, but also affects, in raw numbers, more white people than people of color.

Ms. LEE. Thank you, Mr. Chairman. Is there a way we can get some time that our colleague gave back?

Chairman YARMUTH. Well, he has got—if you want to go to the minute mark, you got another 30 seconds, because he went over a minute.

Ms. LEE. Thank you, Mr. Chairman.

Rev. Dr. THEOHARIS. So we will take it, because $.53 of every discretionary dollar going to the military, we are having welfare pro-

grams for the rich, for the Pentagon, for the military. And so I want- I want Callie to talk a little bit about what we could do with the money, what we are asking you all to do with the money.

Ms. GREER. So——

Chairman YARMUTH. How about—the gentlelady's time has expired. How about if, when I get my time at the end, I will let Ms. Greer answer that question.

Ms. GREER. Thank you.

Chairman YARMUTH. Fine. So now I yield five minutes to the gentleman from Texas, Mr. Crenshaw.

Mr. CRENSHAW. Thank you, Mr. Chairman. And thank you for all being here. This is an important subject. And, really, what it comes down to is what works and what doesn't. We all have an interest in solving any kind of poverty problem, no matter how small it is. We have to ask the question: What works and what doesn't?

Fifty years ago, President Lyndon Johnson declared a war on poverty. In the last 50 years we have spent trillions of dollars to alleviate poverty. What is the result? Our poverty rate when the War on Poverty started in 1966 was about 14.7 percent. By 2014 it was about the same. Even after spending trillions of dollars in the last 10 years, spending on means-tested welfare programs have increased from $430 billion to $742 billion. It has almost doubled.

And we can attach the size of our heart to dollar signs all we want, we can claim that anybody who argues otherwise is immoral. I think that is unfair. You can argue it, but you can't argue the fact that it hasn't worked.

But actually, in the last three years or so, since 2014, we have seen some decrease in poverty: 12 percent. But what changed? What changed? It is not the increase in spending, that has been continuous. Wage growth has increased. The economy has boomed. A 3.2 percent wage growth. By the way, the overwhelming amount of that has gone to the bottom quintile of earners. It does not go to the top. That is by the statistics. It is also more jobs than we have ever had to fill them.

I would say things that don't work are policies that make it harder for the poor to survive.

A carbon tax, for instance—we have been talking a lot about ecological justice. Well, what about a carbon tax that would raise energy prices? It would raise gas prices. Look at California. Look at Germany's experiment with their own form of a green new deal. They haven't reduced emissions, and they have raised prices on everybody. The rich can handle that just fine. They have got no problem handling that. The poor, they cannot handle that.

Over-regulating housing markets, hampering development, that causes rents to rise. Just look at San Francisco. Look at New York. Again, the rich don't mind, but the poor do. It hurts the poor.

Occupational licensing requirements, they can be terribly hard and burdensome on the poor. If you are trying to be a hairdresser, or just get into cosmetology, or become a plumber, it is more difficult, the more regulations you have. In Texas we just solved this. We just made it easier for anybody to get a good-paying job as a plumber. We are very proud of that.

Any of you agree, I wonder, that Congress should actually increase payroll taxes on everybody across the board, from 12.3, 12.4

percent to over 14 percent? I doubt any of you would agree on that, because that is an increase in taxes on everybody. It takes away from everybody. And I bet you would definitely not agree that that money should then be transferred to people in retirement who are millionaires. By the way, that is Social Security 2100, that is the Democrats' plan right now. I don't think any of you would agree with that.

The method in which we have been delivering welfare payments isn't working, either. We have created perverse incentives and disincentives, well intentioned through our desire to help, to the trap people in these safety nets. And let me show you what I mean.

For instance, in Texas there is a single parent of two on welfare and SNAP programs. They will end up taking a huge cut on their benefits if they even get a minimal raise. So, to flush this out, a single mom is desperately trying to provide her children with a better life. She works really hard. She pays it off. She is offered a promotion. But that raise comes with it—it will actually make her worse off than before, because she loses some of those benefits. So she has to turn it down. This is not a good policy. In Texas, this means you are actually taxing the poor at a 53 percent marginal tax rate. And in other states it can be as high as 104 percent.

So let's talk about what has worked. Brookings says it is—and this is a left-wing think tank—studies have shown that if you finish high school, you get a job, any job, and wait until 21 to get married and have kids, you have an overwhelming chance of getting out of poverty. Seventy-five percent join the middle class, only two percent remain in poverty.

Earned Income Tax Credits. The EITC does not punish someone for earning more. Its benefits continue, even as you make more income. This is bipartisan. We all agree on this. This is good policy. So it incentivizes people to improve their livelihood, while also maintaining that final—financial cushion beneath them. They don't fall off of a benefits cliff. So rather than being stuck at an entry-level job, they can keep making it.

We also have to be focused on addressing the skills gap. All right. That is a huge part. We talk about building more capital for the poor. Education is a big part of that. Why don't we look at changing the Pell Grant program? I bet a lot of you would say that it is not always realistic for somebody to get a four-year degree. Spend that four years—maybe they have a family to feed. Why don't we make Pell Grants available for skills, or for trades? Shorter-term duration training?

God, I wish I had more time to ask you all questions, because I do have a lot. But Ms. Fields, I want to end with this.

Rev. Dr. BARBER. Please read this—you haven't—please read——

Mr. CRENSHAW. Ms. Fields, I want to end with this.

Rev. Dr. BARBER. Please read it.

Mr. CRENSHAW. When you teach your kids, do you——

Rev. Dr. BARBER. Please read it.

Mr. CRENSHAW. Do you teach them—Mr. Chairman, if you will indulge me this one question, or——

Chairman YARMUTH. Go ahead and get it out.

Mr. CRENSHAW. Okay.

[Laughter.]

Mr. CRENSHAW. Thank you, Mr. Chairman.

When you—you said you homeschooled your kids. I want to understand what values you teach them. Do you teach them to be responsible for themselves? Do you teach them that their actions matter? Or do you teach them that the system is working against them? Do you teach them that, no matter what they do, they can't thrive? I mean, what would you teach somebody if you loved them?

Rev. FIELDS. Well, I definitely teach them personal responsibility. And even to add to that, where you are saying about trade, me and my husband both, even though I have a bachelor's degree, I also have a trade. My husband is a barber. He has a trade. We have lived the life they are saying with the living wages. I bought a house making $4.25 an hour. So we understand living on wages. But the way we got out of poverty is what you are saying, is we got trade. We went and got an education.

And me and my husband talk about that all the time. If the government could make trade more accessible, you know, spend those federal dollars so people can sharpen their skills and get out—my husband just bought us a three-bedroom home, two full-bath home in Chicago being a barber, with a trade. He has a 10th grade education, and he did it with a trade skill. So those are the kind of programs that we should be advocating for our government to sharpen our skills, bring back those trade skills into the black community, so that we can rise above poverty. We can't do it with just a high school education all the time. We need trade. We need skills.

Mr. CRENSHAW. Thank you, and——

Rev. Dr. BARBER. Could I just say that——

Mr. CRENSHAW. Thank you, Mr. Chairman, and——

Chairman YARMUTH. The gentleman's time——

Mr. CRENSHAW. It was a good conversation about solutions, thank you.

Chairman YARMUTH.——has expired. Reverend Barber, I am sorry. I now yield five minutes to the gentleman from Nevada, Mr. Horsford.

Mr. HORSFORD. Thank you very much, Mr. Chairman. This is a very important hearing today. I want to thank Reverend Dr. William Barber, II, as well as Reverend Dr. Liz Theoharis. It is good to see you. I know your brother. He does work with my wife, who is a professor at Columbia. But thank you for being here today, and for talking about the Poor People's Campaign and your vision for how we strengthen children, families, and communities, which is at the core of what this hearing is really all about.

Thank you to my esteemed colleague, Congresswoman Barbara Lee, the Chair of the Poverty Congressional Caucus, for highlighting this issue, not just today, but for many years prior to today's hearing.

Now I want to get right to it. Since I was sworn in on January 3rd of this year, the Trump Administration and my colleagues on the other side have attacked nearly every safety net program from every angle that they can think of. This after passing the jobs and tax cut scam of the last Congress that provided 83 percent of the benefits to the top 1 percent wage earners and biggest corporations in this country.

And now on the backs of those individuals, because their tax cut adds to our federal deficit, they have proposed cutting SNAP by $220 billion, cutting Social Security by $84 billion, and other disability programs, cutting $1.5 trillion from Medicaid over 10 years, and a 10 percent across-the-board cut to TANF block grant.

This Administration's most recent attack on safety net programs came by way of a proposed rule through the U.S. Office of Management and Budget that would change the way the federal government measures poverty, which is—has not been very well publicized, because this Administration does not want to bring attention to the fact that they are balancing their tax cut on the backs of poor people.

Chairman, the Chairman and I sent a letter to the acting OMB director, expressing our deep concerns about this rulemaking change. And Mr. Chairman, I would like to enter that letter into the record.

Chairman YARMUTH. Without objection.

[The information follows:]

Congress of the United States
House of Representatives
Washington, DC 20515–2804

May 28, 2019

Russell Vought
Acting Director
United States Office of Management and Budget
725 17th Street, NW
Washington, DC, 20503

Dear Acting Director Vought:

We write today to express our deep concerns about a United States Office of Management and Budget (OMB) proposal to change the way the federal government measures poverty and possibly strip millions of low-income Americans, including many working families in Nevada and Kentucky of their federal benefits. We strongly oppose efforts to change the inflation adjustments used to determine the Official Poverty Measure published on May 7, 2019, entitled, FR-19961 Request for Comment on the Consumer Inflation Measures Produced by Federal Statistical Agencies.[1]

As you are aware, the Consumer Price Index for All Urban Consumers (CPI-U) is representative of about 93 percent of the total U.S. population. Amongst other official purposes, it is used to derive the official poverty thresholds based on the expenditures of almost all residents of metropolitan or micropolitan areas. Congress sometimes requires agencies to use a specific inflation measure for specific programs.

This proposal would change how inflation is used to calculate the official definition of poverty used by the Census Bureau to estimate the size of the country's poor population.[2] By doing this, it would inevitably lower the income eligibility limits for programs that are tied to the poverty line and increase the amount of hardships for families, which is not what Congress intended. These programs include Supplemental Nutrition Assistance Program (SNAP) benefits, Medicaid, Head Start, national school lunch program, Children's Health Insurance Program, and many other critically important anti-poverty programs.

We are outraged that OMB would specifically target our nation's most vulnerable families and deeply concerned that this proposal will drastically increase the number of individuals living in poverty by cutting millions of low-income individuals off of basic assistance programs.

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[1] A Notice by the Management and Budget Office, *Request for Comment on the Consumer Inflation Measures Produced by Federal Statistical Agencies*. Federal Register (May 7, 2019), https://www.federalregister.gov/documents/2019/05/07/2019-09106/request-for-comment-on-the-consumer-inflation-measures-produced-by-federal-statistical-agencies

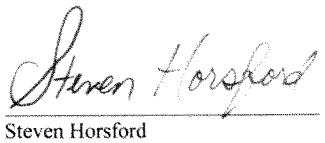
[2] Annie Karni, *Trump Administration Seeks to Redefine Formula for Calculating Poverty*. The New York Times (May 7, 2019), https://www.nytimes.com/2019/05/07/us/politics/trump-poverty-level-proposal.html

Time and time again, the Trump Administration has attacked programs that help struggling Americans put food on the table and keep a roof over their heads. Today, families that are considered poor or near-poor continue to face high rates of food insecurity, difficulty paying increasing rents, and have low rates of insurance.[3] We strongly urge OMB not to move forward with this irresponsible and immoral proposal.

This proposal would disproportionately affect the people we represent. 43 million Americans receive SNAP benefits including over 425,000 Nevadans and 566,900 Kentuckians.[4] Additionally, 11.8 percent of Americans are food insecure,[5] including 12.8 percent of individuals living in Clark County or 271,000 people in Southern Nevada.[6] As of February 2019, Kentucky has 1,216,189 and Nevada has 633,325 individuals enrolled in Medicaid and CHIP — a net increase of 100.43 percent and 90.44 percent respectively since the first Marketplace Open Enrollment Period and related Medicaid program changes in October 2013.[7] Our states also support robust Head Start and Early Head Start programs, funding spots for over 3,000 eligible children in Nevada and over 14,500 in Kentucky.[8] Families struggling to get by across the country will face the negative consequences of this proposal, including the working families and children across Nevada and Kentucky.

We find it unfair that your agency would make life harder for American families that are already struggling to make ends meet. For these reasons, we urge you not to change the inflation measure used for the Official Poverty Measure and protect the millions of vulnerable Americans whose benefits would be impacted.

Sincerely,



Steven Horsford
Nevada's 4th Congressional District

John Yarmuth
Chairman of House Budget Committee

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[3] CBPP Statement, *Trump Administration Floating Changes to Poverty Measure That Would Reduce or Eliminate Assistance to Millions of Lower-Income Americans*, Center on Budget and Policy Priorities (May 7, 2019), https://www.cbpp.org/press/statements/trump-administration-floating-changes-to-poverty-measure-that-would-reduce-or

[4] *Supplemental Nutrition Assistance Program: Number of Persons Participating*, SNAP Webtables, https://fns-prod.azureedge.net/sites/default/files/resource-files/29SNAPcurrPP-4.pdf

[5] *Household Food Security in the United States in 2017*, https://www.ers.usda.gov/webdocs/publications/90023/err-256.pdf?v=0

[6] *Food Insecurity by Zip Code 2018*, Three Square Food Bank (October 2018). https://www.threesquare.org/images/2018_three_square_food_bank_food_insecurity_map.pdf

[7] *Medicaid & CHIP in Nevada, Kentucky* https://www.medicaid.gov/state-overviews/stateprofile.html?state=nevada, https://www.medicaid.gov/state-overviews/stateprofile.html?state=kentucky

[8] National Head Start Association, *2019 Nevada Head Start Profile*, *Kentucky Head Start Profile* https://nhsa.app.box.com/s/rbuxmgf0fun72gr1r5akm8q65qj40ufo/file/388607802342, https://nhsa.app.box.com/s/rbuxmgf0fun72gr1r5akm8q65qj40ufo/file/388598918808

Mr. HORSFORD. I would also like to enter a article, "Black Poverty is Rooted in Real Estate Exploitation" into the record.

Chairman YARMUTH. Without objection.

[The information follows:]

Economics

Black Poverty Is Rooted in Real-Estate Exploitation

A new study in Chicago shows how the dream of homeownership was converted into a poverty trap.

By Mark Whitehouse
June 17, 2019, 10:00 AM EDT

There's a reason. *Photographer: Spencer Platt/Getty Images*

One question is -- or should be -- central to any assessment of the state of America: Why, more than a century and a half after slavery ended, does the typical black family remain so much poorer than the typical white family?

A new study on housing in Chicago illustrates a big part of the answer: Generation after generation, the U.S. system of real-estate finance has enriched whites at the expense of blacks.

Housing has long played a crucial role in American wealth accumulation: People buy homes with federally subsidized mortgages, build up equity and pass the assets on to their children. But as recently as the 1960s, government policy excluded blacks. In a practice known as redlining, the Federal Housing Administration designated predominantly black neighborhoods as no-go zones for government-insured mortgage loans. The FHA also wouldn't guarantee loans for new mixed-race developments: The presence of even a single black family was enough to warrant rejection.

Hence, blacks had to find other ways to obtain shelter. One was "contract for deed," an arrangement usually offered by speculators who bought properties expressly for the purpose. It required a down payment and regular monthly installments from the occupant, but that's where the similarities to a mortgage ended. The sale price and effective interest rate tended to be wildly inflated. The "buyer" assumed all the responsibilities of a homeowner, including repairs and taxes, while the "seller" retained title, along with the power to evict for missing even a single payment. As a result, families who bought "on contract" didn't accumulate equity, and faced a long and precarious path to ownership.

Chicago became a hotbed of contract-for-deed transactions in the mid-20th century, as large numbers of blacks -- still brutally persecuted in the South -- moved to northern industrial cities in the Great Migration. The city also saw one of the country's largest organized rebellions against the practice: The Contract Buyers League, which filed two federal lawsuits seeking relief from the contracts' onerous provisions. The lawsuits failed, but for historians their long lists of homes and tenants (cited as evidence) provide a rare and valuable window into what was otherwise a largely undocumented and unregulated phenomenon.

Now, researchers -- including Jack Macnamara, who as a young Jesuit seminarian helped organize the League -- have tapped those lawsuits, along with municipal records and the work of other scholars, to come up with an estimate of how much this one predatory practice, in one city, set back black families. Using data on sales and mortgage rates, they calculated how much each family's payments exceeded what they would have been if the property had been purchased at the prevailing market price with a conventional mortgage loan. They then added it up for all the contract properties they could identify from the years 1950 to 1970.

The outcome: Black families were overcharged somewhere between $3.2 billion and $4 billion (in 2019 dollars). The real estate agents and investors who profited were almost exclusively white, so this represents a direct transfer of wealth from one race to another. Worse, the contracts' exorbitant terms, along with the lack of equity to borrow against, left black families without the means to invest in their properties, contributing to the physical decline of their neighborhoods.

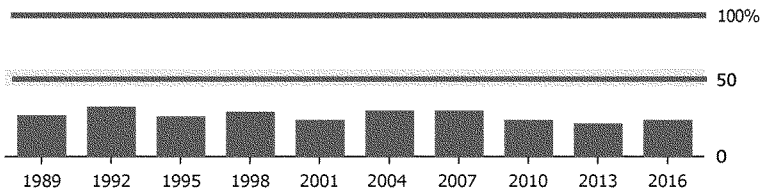
The predation didn't end in the 1960s. It evolved. There was the FHA scandal of the 1970s, in which indiscriminate federal lending and outright corruption enabled speculators to sell inner-

city homes to blacks at inflated prices, resulting in widespread foreclosures. There was the subprime boom of the 2000s, in which blacks were steered into inappropriately expensive loans that enriched a whole ecosystem of mortgage-industry professionals, but often left borrowers with nothing but an eviction notice and a bad credit history. In the wake of the subprime bust, investors including private-equity firms have again targeted the same neighborhoods, buying up houses on the cheap and renting them back to black and other minority tenants -- sometimes under contracts very similar to those of the 1960s.

The investors involved don't necessarily act with racist intent. They exploit blacks because that's where the opportunity is. But the effect is the same: Black Americans experience a completely different kind of finance, one that turns the dream of homeownership into a poverty trap. This helps explain why, despite narrowing racial disparities in areas such as education and employment, the gap in net worth remains just as large as it was almost three decades ago.

A Persistent Gap

Average black family net worth, percent of average white family net worth



Source: Survey of Consumer Finances

So if you ever find yourself in a predominantly black neighborhood, wondering why everyone seems so poor, know this: It's largely because white people, possibly even you or your ancestors, stole from them and their ancestors. The more Americans recognize this deep, tragic flaw in the fabric of our society, the greater the chance that we can find a remedy.

This column does not necessarily reflect the opinion of the editorial board or Bloomberg LP and its owners.

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COMMENTS

76

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Mr. HORSFORD. The proposed rule would inevitably lower the income eligibility limits for safety-net programs that are tied to the poverty line, and will impose unfathomable hardships on families. The proposal would disproportionately affect many constituents in my home state of Nevada, including 425,000 Nevadans that receive SNAP benefits, 633,000 Nevadans that are enrolled in Medicaid and SCHIP, and 3,000 children that are eligible for Head Start and Early Head Start programs that I can't get in because they want to cut the budget.

I have young people and their families that are on a waiting list. You talk about investing in education, talk about investing in career and technical education. Their budget cuts the very programs that you propose to invest in.

And it's personal, because it comes to the children, our families, and the communities. I come from a poor community. I grew up in a poor community, raised by a single parent. I lost my father to gun violence when I was 19. But for the support of programs like this, I would not be sitting here as a Member of Congress. So I have an obligation, like my colleagues who are trying to bring attention to this issue, to the priorities and the values of our budget, as the Speaker said.

Ms. Kinsey and Alcocer, I listened to your deeply personal testimonies. Can you explain to us what you would have done, had you been kicked off of these safety net programs? How would you have been able to survive?

Ms. ALCOCER. As an undocumented person, first of all, most of us don't have access to any of these programs. Um, I just want to make that clear.

The reason—and the way that our community is coping is making survival methods. I mean, we literally have to organize ourselves in a way that we are protecting our community and protecting ourselves.

And like I said before, [speaking foreign language], there is times where our government even tells us that they don't have money to cover potholes. What are communities doing? They fundraise for cement and cover our own potholes.

There are times where we are told that there is no lighting for our alleys. And what we are doing is that we are buying—go to Home Depot and buy the solar panels with lighting, and install them ourselves.

These are the things that our community has to resource to, because there is a lack of will within our government to resolve issues that are very basic. The fact that we have to go to our community members when there is someone in need and say, "Hey, do you have a tomato, do you have a potato? Do you have some chicken so we can put a basket together for this family that is in need," it is something that we have to resource to.

And there is—it is true. There are churches that do lend a helping hand. There are churches that are serving—giving food out on Sundays because they understand that there is a need for hunger in their communities (sic), but they also understand that they need to push the government to do more.

Mr. HORSFORD. Thank you. It is a partnership.

Ms. ALCOCER. Exactly.

Mr. HORSFORD. And we have to work together——

Chairman YARMUTH. Thank you——

Mr. HORSFORD.——to meet the needs of our people.

Thank you, Mr. Chairman——

Chairman YARMUTH. The gentleman's time has expired. I now recognize the gentlelady from Washington, Ms. Jayapal, for five minutes.

Ms. JAYAPAL. Thank you so much, Mr. Chairman, and thank you to my friend, Barbara Lee, for her unwavering leadership on lifting up poverty across this country, and the urgency of now, the urgency of addressing this issue now.

But most of all, I am grateful to you, from the Poor People's Campaign, who are here, bringing the people's voice to the people's house. I am grateful for your courage and for your moral clarity, which came through so clearly in every one of your testimonies.

And your organizing reminds us that poverty is not inevitable. It is caused by human-created structures and immoral policies. You remind us that we can lift up a whole society to create community prosperity. And you remind us that we can and we must have health care for all people. You remind us that no human being is illegal. You remind us that mass incarceration is dangerous, racist, and completely avoidable, that war and a giant military budget are moral outrages, and that, most importantly, you remind us that those most directly affected by poverty and oppression are actually the ones best equipped to lead us forward.

As your people's moral budget report so eloquently states, poverty is a willful act of policy violence that leaves over 43 percent of the population poor or low-income.

So thank you for being here today with us. And thank you for your clarity and your courage.

Let me start with you, Ms. Greer. I could not listen to your story without feeling the same tears that you were-you were feeling, nothing like what you were feeling, but feeling some piece of that. That painful story of the loss of your daughter, what you had to go through—and you said something very powerful. You said we shouldn't have to ask for this. We shouldn't have to ask for health care. It is a right.

Hearing your personal story about the immense suffering of your family, and so many other families across the country that are experiencing not having health insurance, this basic right of health insurance—as you may know, I have introduced a Medicare for All bill for universal health care because I believe this is a human right.

But one of the things that I am confronted with, with critics constantly, is people who say that this would be too expensive, that the United States can't do universal health care because it would be too expensive. Can you give me guidance on how you would respond to that, and what you want me to say every time I hear that?

Ms. GREER. I would say to you the federal cost for expanding Medicaid in those—in 14 states will be about $25 billion in the first year. That is about the same amount the Pentagon hands over to Boeing every year.

Okay, one more time.

Rev. Dr. THEOHARIS. That is right.

Rev. Dr. BARBER. Teach us.

Ms. GREER. The federal cost for expanding Medicaid in 14—not one—in 14 states would be about $25 billion in the first year. That is about the same amount that the Pentagon has owed to Boeing every year.

Ms. JAYAPAL. Thank you. Thank you for that. And you have transitioned me to my next question. I have questions for every one of you, but I am not going to have time. But my next question is for Mr. Overfelt.

I have been trying to take on with some of my colleagues the outrageous amounts of money spent on military defense. And it seems like this increasing spending on war and military defense is often seen as something you cannot even challenge, and that, if you challenge it, you are somehow unpatriotic.

Mr. Overfelt, you are a patriot, a true patriot who has actually put your life on the line and served in the military yourself. Many of the people who advocate for increased defense spending have not done that. So can you tell me how we should respond to the charge that it is somehow unpatriotic to try to cut our spending on military defense and endless wars in order to have a better world? But yes, also to transfer some of those funds to the things that we really need to have a safe and secure nation and world.

Mr. OVERFELT. Well, I flew in here from Kansas City. And when I flew in, I flew—I could see the Pentagon out the window. And I saw right next to the Pentagon, I saw a building with the name Boeing on it. And right next to that, I saw a building with the name Lockheed Martin on it. These are—these entities are—go hand in glove. The Pentagon acts as a siphon towards military contractors, I siphon of taxpayer money that could be used to help us in our communities.

I want to say that when we talk about American foreign policy, we need to understand the context in which it operates, which is the flow of resources from the southern hemisphere to the northern hemisphere. That is not to keep us safe, that is in the national interests of corporations, of transnational corporations, and to ensure their profits. So we are spending taxpayer money to subsidize transnational corporations, not to keep the American people safe.

Chairman YARMUTH. Thank you. The——

Ms. JAYAPAL. Thank you. And, Mr. Chairman, just quickly, before I yield back, let me say Boeing is in my state, and it used to be the kind of company that actually supported living-wage jobs, unionization, good-good working-class jobs. That is not the case today. And I thank you for raising that up.

And let us just imagine a world where we could have corporations who understand that they can only be successful if they are lifting up the communities and the people that are—that make up those corporations, that that make up those communities.

Thank you, Mr. Chairman. I yield back.

Chairman YARMUTH. Thank you, the gentlelady's time has expired. I now recognize the gentleman from New Jersey, Mr. Sires, for five minutes.

Mr. SIRES. Well, good afternoon, and thank you for being here. I made sure I stayed here to listen to every one of you before I had to go to my office.

Let me give you a little bit about my background. I represent the northern part of New Jersey. I represent cities like Jersey City, portions of Newark. I represent the town of West New York, the city I live in. And just to give you an idea, that is—it is one square mile, and we have 53,000 people. Ninety-three percent of the student body in that town is Hispanic. So that tells you that it is not a wealthy district.

We depend—I was—I am a former mayor of that town. As a mayor, I depended on federally-funded clinics to be able to help these people. If we didn't have that, I don't know what we would have done, even just to get the shots so they could attend to school. That federally-funded clinic was very, very important. That is not to mention all the other—diabetes, which, in minorities, is a big, big problem. So federally-funded clinics and federally-funded programs, I think, are extremely important to help people get out of poverty.

I just visited a housing complex on Friday in Newark, New Jersey. I mean, it is just incredible, some of these conditions that people are living in. They are trying to do something about it.

And we have a lot of problems with these formulas. You know, this poverty formula goes back 40 years, and only a little bit for inflation. But there is also a great area that you can help people. They seem to fall off that formula to assist the people.

And not to mention—and to mention the amount of veterans that we are getting that have no place to live, no housing for veterans. After World War II there was an effort to help the veterans. I am hopeful that in the future we can have the same kind of programs so we can help veterans.

So when you talk about poverty, you know, I live it. I grew up in that town. I came to this country when I was 11 years old. My father and mother had a fourth and fifth grade education. But some of these programs are just necessary for people to take on the next step. Housing, affordable housing, low-income housing, I think, is a priority. And I just want from you to tell me which of those programs you think is the best to improve, so we can get some decent housing for some of these people.

Rev. Dr. THEOHARIS. So, I mean, there are quite a few programs that we need. I mean, we need rent subsidies, we need to build more public housing. We need to stop the criminalization of people who are homeless.

So it is—so I think how we take these issues in the Campaign is that we see them all connected. And we need to raise wages, because that is a housing issue. We need to ensure medical care, because that is a housing issue. We need to fund education and health for our veterans, because that is a housing issue. That we need to build up Head Start, because that is a funding—a housing issue.

All of these programs that you all have power to fund, we need—when people talk about the question of wages and then losing your eligibility for some of these programs, we need to raise eligibility and raise wages. We should not be talking about lowering eligi-

bility of poverty programs, of housing programs. We shouldn't be talking about attaching work requirements to housing programs, to food programs.

Mr. SIRES. You know, talk about Head Start. One of the most successful programs that I saw is when we contracted with Head Start to take care of the children after they get out of school, what they call their wrap-around program, because that gave the ability of the parents to go and get a job and work, they know that their children were being taken care of. So those are the kind of programs that I think would help.

Rev. Dr. THEOHARIS. And Head Start has this piece on the maximum feasible participation of people who are poor. It is a community jobs program. It is a community health program. It is a- a interlocking program.

But Kenia had some insight.

Ms. ALCOCER. Housing——

Rev. Dr. BARBER. Poor People's Campaign—out of the first Poor People's Campaign program is because preachers and everyday people came to this body, because they heard what the Lord said about the homeless and housing. That is a part of the Poor People's Campaign. Yes.

Chairman YARMUTH. Very, very briefly, please.

Ms. ALCOCER. Well, one of the things that I want to say is public housing is very important. People living in public housing are——

Mr. SIRES. Decent public housing.

Ms. ALCOCER.——decent public housing are only paying 30 percent of their income into homes. People who are paying market rate rent today are paying 60 to 70 percent of their income into housing.

Mr. SIRES. Absolutely.

Ms. ALCOCER. That means that sometimes we have to stay up at night, figuring out what bill we pay, if we can buy milk for our children, and if we are going to be able to pay our rent. That is what we need, we need to be able to pay only 30 percent of our income into housing.

Mr. SIRES. Thank you. Thank you, Chairman.

Chairman YARMUTH. The gentleman's time has expired. I now recognize Mr. Stewart for five minutes.

Mr. STEWART. I thank the Chairman and Ranking Member, and apologize to you and other members and the witnesses for not being able to be here earlier. Other hearings and some I had to chair, and I just wish I could.

I understand it has been a very interesting hearing. I don't know that I have been to a hearing where we have had quite so many witnesses; I hope you all have had a chance to express your views.

And I want you to know that I think we have common goals. I don't think there is anyone in this room who doesn't have a desire to lift people up, to help them live productive lives, to help them feel like the government wants to make their lives easier, if possible, and not harder. I think the concern I have is sometimes some people think government is the answer. Sometimes they think it is the only answer. And we know that there are other pieces to this puzzle. And I would like to spend a few minutes talking about some of those, if we could.

Again, recognizing government is not the only source of anti-poverty spending, I love these statistics, some of these facts. America is the most generous nation, I think, the world has ever seen. And we should be proud of that. We should recognize that. $410 billion in 2017 Americans gave to charitable organizations. There is not another country that comes even close to that.

In some of my writing, I have had a chance to analyze that. We are a very generous people. Interestingly, more than a 5 percent increase from the previous year. So we are not becoming less generous. In many ways we are becoming more generous. And I am grateful for those people who participate in ways like that.

Anti-poverty programs, they don't just rely on government funding, and we are grateful for that, for these other people that are generous. Being from Utah—most of you don't know that, it is not something you would know, but I am from—Salt Lake City is my district, and a beautiful city, and it is, obviously, the headquarters for the Church of Jesus Christ of Latter Day Saints. And they are a great example, I think, of an organization that is involved in trying to lift people up and to help them.

They are not the only example. There is many other faith-based organizations. There is hundreds or thousands of them who also do great work. The Church of Jesus Christ, I think, is a good example of it, though. They work in employment services, they work in food assistance, the Bishop's Warehouse, partnering with other organizations. I have been to the food pantries and seen the great work they do. They are not just in Utah, by the way, but throughout the country and, frankly, throughout the world. Family services, free courses in education, and finding a better job. I mean, the list goes on.

Pastor Mahan, I guess I would ask you, in your background there, in your experience, how important are these community and faith-based organizations in helping combat poverty, and helping do as we all want to do, and that is lift people and help better their lives?

Pastor MAHAN. You have to engage them. Thank you, sir. You have to engage them. Because anybody in this room that has been a part of a program, a government program, whether it is a government school, whether it is a government housing program, whether it is a government food program, we are being disingenuous if we lift those programs up like they are blessings all the time. There is a lot of churches that don't want to be involved in government stuff, just because it smells like government.

It is like we are just going to throw money at this thing, regardless of the values as being, you know—you guys said it. There is values behind budgets, but there is also values behind programs. And a lot of times they don't want to engage because of the values that come behind the money. It is like a Trojan horse. Yes, we are going to bless you with money and housing, but yet we are going to give you all of these values that are against what we believe, and how we raise our families.

And so you have to engage the churches and, really, all faith communities. You have to engage them on how to reach their own people. I think it would be a huge step forward.

Mr. STEWART. And I am going to dive down on that just a little bit. A lot of times we talk about money. And you obviously can't do much without financial resources. It makes it very, very difficult not to have, you know, as I said, the resources to fund some of the things.

But there is another element to that, and that is the volunteers, that is people who are willing to, hey, I will be a big brother. Hey, I will work at the homeless kitchen. Talk a little bit about that, would you, Pastor? And how important are volunteers to your community and the service you are trying to provide——

Pastor MAHAN. Yes, in our community we just—the mayor just gathered all the churches together—it is 20-some pastors—and he said, "If anything goes wrong in this city, everybody knows that it is going to be you all that does the brunt of the work of fixing and getting people out of this crisis."

And so, yes, the churches is critical, and putting their hands to the plow. Training the churches to get engaged with the schools, training the churches to get engaged at the governmental levels, the school board levels, these are critical pieces. Because, again, they don't know about what is going on in this room. All they know is that we care about people. But we are not going to care about people and sacrifice our values because the government says that we need to because we won't get the money.

Mr. STEWART. And that is a fair thing to—you know, to expect. It would be unfair for someone to be compelled to do something that they don't believe, just to have government assistance. We could go on.

But, Chairman, my time is out. Thank you.

Chairman YARMUTH. The gentleman's time has expired. I now recognize the gentleman from California, Mr. Panetta, for five minutes.

Mr. PANETTA. Thank you, Mr. Chairman, Ranking Member Womack, and, of course, all of the witnesses for being here, as well as your preparation to be here. Thank you very much for your time, as well as your expertise on these topics.

I am sure there have been a number of questions asked that deal with a number of areas that I wanted to talk about, but I am just going to kind of narrow it down. And if I am limited in that sense, that is fine. And if you have talked about this, I apologize. But I want to talk about affordable housing, and how that affects people put in situations and into poverty.

And in my district, on the central coast of California, especially when it comes to renters, what you are going to see is about 29 percent of all renters—that is about 31,000 households—are severely cost burdened, as it is called. Basically, then, what that means is that they are paying more than 50 percent of their income to housing costs and utilities. And so I was wondering if any of you could speak about the high cost of housing, and how that drains the pockets of low-income families, and how that contributes to homelessness.

And go ahead, if Drs. Barber and Theoharis, could maybe talk about——

Rev. Dr. BARBER. Let Kenia start, because——

Mr. PANETTA. Please.

Ms. ALCOCER. Just to let you know, I work in the city of Los Angeles. I am, with Union de Vecinos, which is a tenant advocacy organization. We are with the LA Tenants Union. And part of my job and my work every day, it is to go into the office and see people that are going through eviction processes, not just in the city of LA. I have folks coming from Long Beach, from Orange County, from San Bernardino, from different parts.

And the issue of housing, it is very, very ingrained in the fact that there is no safety net when it comes to housing, unless you are in public housing, or—because even section eight you can lose, right?

So one of the things that I think it is very important is that we have to talk about rent control. There needs to be a cap on these rental markets. We need to make sure that we are doing something about it. And communities have been organizing. But the reality is that all of these corporations, and all of these land owners, and homeowners lied. We tried passing Prop 10 last year. That would have allowed us to have a statewide rent control that would have allowed communities to feel safe.

In Boyle Heights our community is being gentrified. There is high investment that is coming into our community, but it is not for our community. Our community is being driven out of Boyle Heights into San Bernardino County, where we have seen that it is an under-developed county. So part of the work that we need to do, it is to make sure that, when we are investing, we are investing in the actual community that lives in that community, and not pushing those communities out.

Rev. Dr. BARBER. We have to have an increase in investment infrastructure in impoverished communities. But we always have to connect. It is interlocking injustices. There is not one county in the United States where working at a living wage—at a minimum wage job 40 hours a week, that you can afford a basic two-bedroom apartment. In most places you have to work plus-80 hours, plus-80 hours.

And from a moral perspective, a Christian perspective, poverty, housing, immigrants' rights are the values of faith. They are the values. I am a pastor. I didn't want to talk like this. But since I am a pastor—I have been a pastor over 30 years. I have 500 years of ministry in my family, as pastors. Our church has built homes for low and moderate-income people. We house senior citizens. We have programs for the poor. But pastors also must be prophets, like Jesus was, and challenge the system. And all the homes we built has nothing to do with people not getting a living wage. That is like government policy.

And I just want to say it to this Committee again and to the people here. Slavery was a government policy. The lack of civil rights was a government policy. The lack of living wages is a government policy. The lack of housing is a government policy. So to say weak government is bad is ridiculous. We are here in the government.

It—what the problem is, when you have a government that pushes for the few, and caters to Wall Street, and caters to the greedy, and does not care for we the people—and to suggest that 43.5 million people in the—I mean 43 percent of this country, 140 million people, if they want to—I am going to keep saying it like

a broken record, that if they just loved and got charity from the church when the government created the poverty, then you are going to ask the church to fix the poverty? No.

The church should be challenging the government, just like we challenged the government over slavery, just like we challenged the government over the lack of women's right to vote, just like we challenged the government over civil rights. We should be prophetic and challenge for a policy shift that could lift people. And to not do that is, at best, theological malpractice. At worst, it is heresy.

Mr. PANETTA. Thank you. Thank you, Mr. Chairman. I yield back.

Chairman YARMUTH. The gentleman's time has expired. I now recognize the gentlelady from Minnesota, Ms. Omar, for five minutes.

Ms. OMAR. Thank you, Chairman, and thank you, Congresswoman Barbara Lee, for your championship in championing this particular issue.

I am a little frustrated, because I heard a lot about love. And one thing that I know is it is not because of the lack of love that we are not able to feed our children. It is not because of lack of love that we are able to house people. It is not the lack of love that we are unable to save people from dying because they don't have health care. It is not because of lack of love that you were able to finish college because you got help with child care.

Love has nothing to do with this. And if you want to bring love into this, you got to bring radical love, because radical love means that we radically love every single person within our communities to make sure that we are providing for them the basic rights as humans. That's what love is. And that's the godly thing to do.

So if we want to talk about faith, we also have to remember that we can't pray our problems away. You can't pray for your children to be fed so you are not crying because they're crying and they can't go to bed. You cannot pray for your medical bills to disappear. You cannot pray for the mold to stop poisoning your children in the classrooms.

The other thing that frustrates me is people who have experienced poverty, who have gotten the straps for their bootstraps, who sit and talk about how we shouldn't do anything for the next person. See, as someone who knows severe poverty—I lived in a refugee camp on the floor, no water, nothing. And I hear somebody say here in the United States they are fine with their grandparents not having running water. And that is supposed to be okay? Or we hear someone say it was a choice made up to me to have my children and not be like the other black people who get to have children out of wedlock.

We don't get to have those kind of conversations. The conversations we get to have is how we are responsible for fully funding our schools so all of our children have the opportunities we have as we sit in this room. We get to talk about the kind of opportunities we have as government to make sure health care is provided to everybody so that we don't have people dying in the United States because they can't afford insulin.

The conversation we get to have is making sure that there are no children, no children going to sleep hungry or being shamed in classrooms and in lunch rooms because their families don't have enough money to pay for their lunch.

The conversation we get to have about the kind of poverty we have in this country, is the kind of poverty that says it is okay for us to take photo pictures with veterans, and be okay with the fact that they are sleeping on the streets here in the United States.

So as an immigrant, as someone who came to this country hearing about American exceptionalism and prosperity, I am appalled that we get to sit here and have conversations as Americans about being the most charitable country in the world, and not being charitable enough to house our homeless, feed our children, care for our veterans. What is charitable about that?

So, I ask you. The kind of systematic barriers that exist in prosperity, that is the conversation we should be having.

Rev. Dr. BARBER. And——

Ms. OMAR. And so I want you guys, for the little bit of time that I have, to talk about the systematic barriers that exist in creating prosperity, and what it means for us to remove those so that all of us could have the prosperity that is guaranteed within our Constitution.

Rev. Dr. BARBER. I want——

Chairman YARMUTH. Since the gentlelady's time is basically expired, why don't you address it to one person——

Ms. OMAR. Yes.

Chairman YARMUTH.——and then let that person respond.

Rev. Dr. BARBER. I was going to yield to Savannah. But Savannah, I tell you what to do. I want you to hold my hand. Because we came here to have a real conversation. We didn't come here to talk this mythology and foolishness about, you know, I grew up in poverty and therefore I have just worked hard and got—that is not what we came here to talk about. We have a budget. If—you got your budget? Hold it up, Liz. I want the nation—I am going to speak to America now. We want—I want to see the front of it.

Where your treasure is, that is where your heart is. We can talk all day long about a love, and where your treasure is, where your heart is. And justice requires not just praying and going to church, but it requires justice. Jesus said that people who engage in religiosity but do not care for justice, he called that hypocrisy. So let's talk about investment. Let's talk about barriers.

Love in a democracy, we would be investing in democracy and equal protection under the law. That is what is in here. It would be investing in domestic tranquility, investing in an equitable economy, fair taxes, raised income. It would be investing in life, and health care, and full health care for everybody, and equal treatment.

It would be investing in our future, investing in early learning. Childcare helps the K through 12 higher education, inclusion for all undocumented youth. HBCUs investment, and tribal school investment. And love would be investing in the planning, access to clean water and sanitation, addressing climate change through clean energy. Love, real love and justice, would be investments in peace and common defense, ending the culture of war, reducing military

spending, ending militarism at home, eliminating militarism and immigration, eliminating militarism and policing and mass incarceration, and ending easy access to firearms.

We came here with a plan, not just with partisan mythology. We came here with a plan to challenge both Democrats and Republicans. But it seems like one side we really got to challenge—but we are going to work on everybody, because we need a plan, because the 43.5 percent and 140 million people, their backs are against the wall, and they are dying at a rate of 250,000 per year.

Ms. OMAR. Thank you, Reverend Barber. We are going to get the radical love that Jesus preached. So, thank you.

Chairman YARMUTH. I thank—the gentlelady's time has expired.

And as we mentioned earlier in the—at the beginning of the hearing, your budget and plan is part of the formal record.

Under normal circumstances, the Ranking Member and I would now have 10 minutes each to use as we saw fit. We are about to have votes called on the floor. So, the Ranking Member and I have just agreed to spend just a small portion of our time closing the hearing.

Mr. WOMACK. So——

Chairman YARMUTH. I recognize the Ranking Member.

Mr. WOMACK. I thank the Chairman. It has been a long hearing, and we have heard a lot and we have learned a lot. I think the common thing that we have learned is that we have a poverty issue in our country. We have had a poverty issue for a long time. We have done a lot of things, spent a lot of money trying to address poverty issues.

The challenge for the Congress, which is the, I guess, the final arbiter of these issues, is to figure out how much we have to spend, what programs are most meaningful and beneficial to arrive at the outcomes that can address the root causes of the problem, and allocate those resources accordingly, in a way that, with proper oversight, that we can get the very best return on that investment that we can.

That is what the taxpayers of our country ask of us, is to make sure, as the people who hold the purse strings, to ensure that the money that is going out is being spent in a wise and productive fashion.

There is not a person on this dais that does not want to see every single person in this country lifted out of poverty to become productive in their lives, to make really, really good personal decisions, to really live that American Dream. But there are a lot of different opinions as to exactly how we approach that.

I liked what my colleague, Bill Johnson, said at the very beginning about the importance of the father in the household. And we have got too many single-parent households these days. We can't legislate that. But we can have it as a goal for this country to improve the family circumstance in such a way that we can help our young people get that education, make those decisions that break, if you will, that cycle of poverty. And that is what I hope to see out of this.

Now, there have been some references made out of defense spending today. And as you heard in my opening remarks, I am a 30-year veteran with a deployment under my belt in support of the

national security of this country. And I am a strong advocate for the men and women who, on a voluntary basis, put their hand up and say they will go anywhere, any time, under any circumstance, and fight for something greater than themselves.

It was mentioned by one gentleman on the panel today that, when you fly into Washington, you fly over the Pentagon, and then you fly over names of major defense contractors. Let me also remind you that you fly over Arlington National Cemetery. And those headstones that I see out there, and those crosses represent something to me. And the way that we can continue to honor the commitment and the sacrifice and the hardships suffered by well over a million people who have died in defense of their country, the way we honor them is to make sure that we protect the principles espoused in the founding of this country throughout the rest of history, so that we can give the rest of society an opportunity to pursue the American Dream that has been given as hope for all of us.

So with that said, Mr. Chairman, I don't have any questions for the panel.

I know we are about to head to the floor for votes, and I want to thank everybody for coming today and telling your personal stories.

And I will yield back the balance of my time.

Chairman YARMUTH. I thank the gentleman, and I yield myself time for my closing remarks.

You know, I agree with the Ranking Member, that the over—without question, the goal of this government should be to lift as many people out of poverty as possible. It is not to support as many poor people as possible. That should be our objective. But reality is that we live in a different world.

And I—you know, I empathize with all the stories that we have heard today from some of my colleagues about their background and how they came up in poverty. We are in a very different world when—from when those gentlemen were describing their upbringing. And it is going to get even tougher in this world.

The technology revolution that we are seeing now, that we are going to continue to see, is going to disrupt far more lives than anything we have ever experienced in this country. And we are going to be in for a rough stretch. And it is not just going to be poorly-educated or lesser-educated people. It is going to be CPAs and radiologists and a lot of people who spent a lot of money getting an education, and were working for high wages, and their jobs are going to be drastically changed, as well.

So I am very conscious of what we need to do, as a country. I don't have the answers, but I know what we are going to have to cope with. And we are going to have to make sure that everybody in this country is supported to the extent that they can be productive as possible.

I don't think there is any greater need in this country right now for our long-term prospects than early childhood education. Because if we don't make sure that the next generation of Americans, that younger generation of Americans, has the opportunity and the resources to make—be productive citizens, then we are arguing over nothing now, because there won't be a tax base for us to argue about how to spend. We won't have people—when the Baby

Boomers retire and pass on—and I am one of those—and then the next generation—if we don't make sure that the youngest generation and the generation after that are productive citizens, where is the tax base going to be?

And I have said this to a lot of white people I have had arguments with. If we don't make sure non-white Americans make a lot of money and pay a lot of taxes, then white America is not going to retire, not going to be able to retire, because there won't be any resources.

So this is not a simple issue. Just like everything else we deal with on the federal level, it is really complicated. Poverty is not an easy issue.

The fact remains we have the greatest disparity between the wealthiest Americans and everybody else that we have ever had, well, in the last 100 or so years. And we have greater disparity in wealth and income in this country as most—any other industrialized nation.

And I look at things like the Earned Income Tax Credit, a great program, has lifted a lot of people out of poverty and supported a lot of people. And Democrats love it, and some Republicans love it. But you know who loves it more than anybody? Corporate America. Corporate America loves it because it helps them. It allows them to pay lower salaries and—because the EITC is supporting their workers. And that is the same thing with Medicaid in a lot of cases, and it is the same thing with SNAP. These are all, to a certain extent, subsidies to corporate America.

I once had a conversation—it was my first election—with a McDonald's franchisee, and we were arguing about minimum—raising the minimum wage. Then it was $5.25. And he said how—what a difficult imposition that would be on him, if he had to raise the—if we raised the minimum wage on him.

And I said, "You know, what would you say if I came to you and I said, 'You know, I have got the greatest business concept that ever came down the pike, and it is just absolutely foolproof. The only catch is that I have to have people working for me for nothing.' What would you say?"

He said, "I would say you are insane."

I said, "In today's world"—that was 2006. I said, "In today's world, what is the difference between $5 an hour and nothing? Not much." And here we are, 13 years later, and we are at $7.25.

Now, the reality is, I understand not many people are making $7.25, but there are a lot of people out there making $9, and $10, and $9 and $10 are not living wages, either. And you all know that extremely well.

So, there—there is a lot of institutionalized—there are a lot of institutionalized issues that we have to deal with, as a country. Congress can't deal with all of them. But the fact remains that we have an obligation. I always say government is the way we recognize our—we organize our responsibilities to each other.

And one of those responsibilities is to understand that we have a capitalistic system that ends up with winners and losers. And the losers are not necessarily losers because they didn't try hard, because they weren't talented. They were losers because there are naturally winners and losers in society.

And it is the government's obligation to make sure we do everything we can to make sure they have a decent standard of living, and then give them the support to rise out of poverty and become winners at all levels.

So, with that, I would say we got a lot of work to do. The Poor People's Campaign has done a lot of work and has a lot of work to do.

And I want to thank everybody here for focusing on a very, very important national issue. Thank you for your time, your passion and, most of all, bringing your experience to the Committee and this Congress.

And with that, with no further business, the Committee is adjourned.

[Whereupon, at 1:28 p.m., the Committee was adjourned.]

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CONGRESSWOMAN SHEILA JACKSON LEE OF TEXAS

STATEMENT
HEARING:
"POVERTY IN AMERICA"

COMMITTEE ON THE BUDGET
210 CANNON
JUNE 19, 2019
10:00 A.M.

- Thank you Chairman Yarmuth and Ranking Member Womack for convening this hearing on poverty in America and the challenges faced by ordinary Americans struggling to make ends meet.

- Let me welcome our witnesses:

  Rev. Dr. William Barber
  Co-Chair of the Poor People's Campaign: A National Call for Moral Revival; President of Repairers of the Breach; Pastor of Greenleaf Christian Church in Goldsboro, North Carolina; Visiting Professor at Union Theological Seminary

Rev. Dr. Liz Theoharis
Co-Chair of the Poor People's Campaign: A National Call for Moral Revival; Director of the Kairos Center for Religions, Rights, and Social Justice at Union Theological Seminary

Callie Greer
Senior Community Organizer and In-House Chef for the Selma Center for Nonviolence, Truth, and Reconciliation and a Kingian Nonviolence Trainer.

Kenia Alcocer
Co-Director and Organizer of Union de Vecinos and Co-Chair of the California Poor People's Campaign.

Christopher Overfelt
Mr. Overfelt is from Olathe, Kansas and currently teaches in Kansas City, Missouri and works at Boys Grow, a vegetable farm that provides mentorship to youth through agriculture.

Savannah Kinsey
Ms. Kinsey is from Johnston, PA. She is a leader of Put People First – Pennsylvania and the Pennsylvania Poor People's Campaign.

Latasha Fields (Minority witness)
Ms. Fields is the co-founder of Christian Home Educators' Support System (CHESS), an organization that supports Christian homeschool families through curriculum, educational/recreational opportunities, and advocacy.

David Mahan (Minority witness)
Youth Development Consultant

- Thank you for being here and sharing your expertise with this Committee.

- Mr. Chairman, this hearing could not be more timely because economic insecurity and inequality is one of the most pressing issues of our time.

- Consider these facts.

- The official U.S. poverty rate in 2017 is 12.3%, according to the U.S. Census Bureau.

- That means 39.7 million Americans lived in poverty in 2017.

- The poverty rate for African Americans and Hispanics was 21.2 percent and 18.3 percent, respectively.

- Nearly one in five (17.5 percent) of children under age 18 live in poverty.

- The poverty limit for family of four in 2019 is $25,750, according to the U.S. Department of Health and Human Services' guidelines used to determine financial eligibility for federal programs; for an individual, the poverty limit is $12,490.

- The Supplemental Poverty Measure incorporates non-cash benefits (such as SNAP), work expenses, medical expenses, and other factors, and is generally considered to be a more comprehensive estimate of poverty than the official poverty rate.

- Still, many argue that both the official poverty rate and the Supplemental Poverty Measure underestimate how much it takes to support a family and thus undercount the number of people in poverty.

- One study from the National Center for Children in Poverty suggests that families need an income of at least twice the official poverty level to meet their basic needs.

- The top 5 percent of households earned 22.3 percent of the nation's income in 2017, according to the U.S. Census Bureau and the top 20 percent of households earned over half (51.5 percent) of the nation's total income.

- The top 1 percent held nearly 39 percent of the wealth in 2016, up from just under 30 percent in 1989.

- The bottom 90 percent held less than 23 percent of the wealth in 2016, down from just over 33 percent in 1989.

- Between 1979 and 2017, earnings for the top 0.1% of earners grew by 343 percent; for earners in the bottom 90%, earnings grew by just 22 percent.

- The median white family has 12 times more wealth than the median black family.

- This is why federal investments that help Americans meet basic human needs are essential and need to be increased.

- Federal programs like Medicaid, housing assistance, and the earned income tax credit ensure that all families have access to basic living standards if their wages are too low or they cannot make ends meet.

- These programs include:

  1. Medicaid and the Children's Health Insurance Program (CHIP) ($423 billion in federal spending in 2019);
  2. Earned Income and Child Tax Credits ($87 billion in federal spending in 2019);
  3. Supplemental Nutrition Assistance Program (SNAP) ($65 billion in federal spending in 2019);
  4. Supplemental Security Income (SSI) ($56 billion in federal spending in 2019);

5. Housing assistance ($50 billion in federal spending in 2019);
6. Child nutrition ($24 billion in federal spending in 2019);
7. Temporary Assistance for Needy Families (TANF) ($16 billion in federal spending in 2019);
8. Child Care and Development Block Grant ($5 billion in federal spending in 2019); and
9. Low Income Home Energy Assistance Program (LIHEAP) ($4 billion in federal spending in 2019)

- In addition, Medicaid and CHIP provided coverage to 73 million Americans in March 2019, including more than one in three children.

- Mr. Chairman, millions of seniors and people with disabilities rely on Medicaid to pay for nursing home care and home- and community-based services that assist with activities of daily living.

- To date, 33 states and the District of Columbia have expanded their Medicaid programs to low-income working-age adults, helping to drive the nation's uninsured rate to a record low.

- Regrettably, my home state of Texas is not one of them.

- Medicaid is also very efficient, and states have significant flexibility in designing their programs to meet the needs and of their residents.

- Earned Income and Child Tax Credit provides low-income workers with a supplement to their wages, ensuring that many of them are not taxed into poverty.

- Workers with children receive a larger benefit than those without.

- The average EITC credit in 2018 was $2,488.

- The Child Tax Credit (CTC) assists working families by helping with the costs of raising children.

- Both the EITC and the CTC are refundable, which means that families with very low incomes benefit even if they owe no income tax.

- These refundable tax credits were responsible for keeping 8.3 million people out of poverty in 2017, according to the Census Bureau.

- Funded by the federal government and administered by the states, SNAP offers nutrition assistance each month to nearly 43 million low-income individuals and families, including 18 million children every year and 4 million adults with disabilities.

- According to an analysis from the Center on Budget and Policy Priorities, SNAP kept more than 8.4 million people out of poverty in 2015, including 3.8 million children.

- Supplemental Security Income (SSI) provides cash assistance to aged, blind, and disabled individuals with little or no income to meet their basic standards of living.

- Housing assistance programs provide funding for low-income individuals and families to secure safe and stable housing.

- These programs include tenant-based and project-based rental assistance (together commonly known as Section 8), homeless assistance grants, rural rental assistance, housing for the elderly, public housing, and the choice neighborhoods initiative, which uses locally driven strategies to facilitate neighborhood transformations.

- Child nutrition programs prevent hunger and combat obesity among the nation's children by funding healthy meals at places like schools, child-care centers, and after-school programs.

- Major programs include the National School Lunch Program and the School Breakfast Program.
- In 2018, the National School Lunch Program served 4.9 billion lunches, two-thirds of which were free.
- Temporary Assistance for Needy Families provides block grants to states to provide temporary financial assistance for families with one or more dependent children.
- Assistance helps cover the costs of basic standards of living such as food, shelter, and utilities.
- States also utilize block grant dollars to provide transitional services such as GED preparation or job training services.
- The basic TANF block grant has been frozen since it was created in 1996, with no adjustment for inflation.
- Child Care and Development Block Grants provide support for children and their families through a variety of child care services and other programs that prepare children to succeed in school.
- In 2017, 796,000 families received subsidies to support child care for 1.3 million children.
- Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) provides supplemental foods as well as health care referrals and nutrition education for low-income pregnant, postpartum, or breastfeeding women.
- The program also provides nutrition assistance to children up to age five.

- Low Income Home Energy Assistance Program (LIHEAP) helps families stay safe and healthy by assisting with energy costs such as home energy bills, energy crises, and weatherization and energy-related minor home repairs.

- Assistance provided by LIHEAP ensures low-income families stay warm in the winter and cool in the summer, resulting in reduced risk of health and safety problems.

- In 2017, 5.4 million households received assistance with heating costs through LIHEAP.

- In addition, federal investments in Medicare and Marketplace subsidies ensure that millions of Americans can access quality, affordable health care.

- Despite the persistence of poverty in America and the continuing need Americans have for the elaborate network of economic security programs known as the "social safety net," the Trump Administration has been unrestrained in its efforts to dismantle safety net programs.

- Time and time again, the Trump Administration has attacked programs that help struggling Americans put food on the table and keep a roof over their heads.

- Most recently, the Administration requested comment on a proposal to change the way the federal government measures poverty.

- Currently, the federal government uses the Consumer Price Index for All Urban Consumers (CPI-U), which is a measure of inflation, to derive the official poverty thresholds. (The CPI-U is representative of about 93 percent of the total U.S. population.)

- The Administration is proposing to switch to an alternative measure of inflation which would almost certainly be lower than CPI-U.

- This change would lower the income eligibility limits for programs that are tied to the poverty line, such as SNAP, Medicaid/CHIP, Head Start, national school lunch program, and many others, meaning that people could lose eligibility for these programs or receive less help from them.

- While the impact would be small at first, it would grow each year.

- The Center on Budget and Policy Priorities estimates that after ten years, more than 300,000 children could lose comprehensive health insurance coverage through Medicaid and CHIP; more than 150,000 people who buy insurance through ACA Marketplaces could lose eligibility for or qualify for reduced cost-sharing assistance; and 150,000 seniors and people with disabilities could lose help paying for Medicare premiums.

- Earlier this year, the Trump Administration proposed a rule that would likely reduce the number of people who are eligible for SNAP.

- Under current law, adults without dependent children (known as "able-bodied adults without dependents", or ABAWDs) are generally required to work, volunteer, or get job training for at least 20 hours per week to receive SNAP benefits.

- However, most states waive that requirement, at least in part.

- Under the Administration's proposal, it would become much more difficult to waive the requirement, so people who are unable to find work would likely lose their benefits.

- The Administration estimates that, if the proposal is implemented, about 755,000 people would not meet the requirements and would thus lose SNAP benefits in 2020.

- The Trump Administration's fixation on work requirements extends to other programs, including Medicaid.

- Section 1115 demonstrations allow states to waive certain Medicaid rules for innovative projects that advance the objectives of the Medicaid program.

- The Trump Administration re-defined the objectives of Medicaid to accommodate 1115 demonstrations that include work requirements, sometimes referred to as "community engagement" demonstrations.

- As of June 2019, seven states have approved 1115 waivers that include work requirements, and seven additional states have work requirement applications that are pending CMS review.

- Two states, Arkansas and Kentucky, have work requirements that were set aside by the Federal District Court for the District of Columbia, most recently in March 2019.

- In 2018, the Trump Administration proposed an immigration rule known as the "public charge" rule.

- Under current law, prospective immigrants are required to prove that they are not likely to be a "public charge," or someone who is dependent on cash assistance, as they seek legal status in the United States.

- The proposed rule expands the term "public charge" to include someone who receives benefits from SNAP, housing assistance, Medicaid, and other programs, meaning that it would be much

more difficult (or perhaps impossible) for people who receive those benefits to get a green card.

- If implemented, the rule would reduce the number of future immigrants, but it also would likely have a "chilling effect" on the number of low-income immigrants who participate in programs for which they are eligible.

- The Urban Institute estimates that one in seven adults in immigrant families did not participate in a government benefit program in 2018 because they were afraid of risking a future green card.

- Among low-income immigrant families, the estimate was even higher – one in five adults.

- In addition to these regulatory actions, the Trump Administration's budget proposes program cuts that would be even more drastic.

- The President's 2020 budget sticks to the Republican three-step plan:

    1. cut taxes for the rich;
    2. increase the deficit; and
    3. make working Americans pay.

- As an example of step 3, the budget cuts $327 billion over 10 years from mandatory programs that support working families and those struggling to get by, including $220 billion from SNAP.

- The budget also puts unnecessary bureaucratic barriers between families and the benefits they receive from the Earned Income and Child Tax Credits, resulting in a $68 billion cut to these important benefits, and cuts $84 billion from Social Security and other disability programs.

- Other Trump Administrations budget proposals designed to punish those living on the margins of life include:

    1. Cutting $8.6 billion from the Department of Housing and Urban Development (a 16.4 percent reduction);
    2. Eliminating the LIHEAP program ($4 billion cut);
    3. Reducing the TANF block grant by 10 percent and instituting other reforms such as work requirements; and
    4. Cutting Medicaid spending by $1.5 trillion over 10 years, representing about one out of every four dollars spent on the program.

- So, thank you, Mr. Chairman, for convening this important hearing and bringing before this Committee witnesses who can attest to the critical importance of increased and sustained federal investments in the programs making up the social safety net and to the harm inflicted on innocent and vulnerable Americans by this Administration harmful, hurtful, and vindictive policy proposals intended to vitiate the protections Americans count on for no apparent reason other than it looks with disfavor upon certain of the persons that benefit from these life-sustaining programs.

- Thank you, I yield back the remainder of my time.

Questions for the Record
Representative Jan Schakowsky

Rev. Dr. William J. Barber II
Co-Chair, Poor People's Campaign

Rev. Dr. Liz Theoharis
Co-Chair, Poor People's Campaign

In 2017, there were nearly 40 million people living in poverty in the United States, representing 12.3 percent of Americans. Millions more are struggling to make ends meet yet are not captured by the current official definition of poverty. Even worse, the Trump Administration is trying to further narrow this definition, limiting access to government programs.

1. What about the federal government's current official poverty measure makes it inaccurate and under-inclusive?

    a. What would you recommend we do to ensure it more accurately reflects what it means to be poor in this country? Is there a better measure?

2. If the Trump Administration's proposal to change the way we calculate the poverty level goes into effect, who would be most impacted?

    a. Could private charities and religious organizations support the needs of the most vulnerable who are affected by this policy change?

Kenia Alcocer
Poor People's Campaign

The Trump Administration is considering imposing a new "public charge" rule to make it easier to deport U.S. legal permanent residents who have used public benefits. I am appalled by this effort to restrict immigration by low-income people and to prevent eligible people from accessing much needed services and supports.

1. If this policy is implemented, and immigrants are punished for seeking public benefits, what kinds of effects would we see within immigrant communities?

2. In you experience as an organizer, I am sure you've thought a lot about how to change the minds of people who carry negative, inaccurate views on immigrants. Could you please share with us some of your best ideas on that?

Questions for the Record
Rep. Bobby Scott
House Budget Full Committee Hearing, "Poverty in America: Economic Realities of Struggling Families"
Wednesday, June 19, 2019

1. Dr. Barber, in March 2019, the Committee on Education and Labor reported out of Committee H.R. 582, the *Raise the Wage Act*, which would gradually raise the federal minimum wage to $15 per hour by 2024. Yet on June 16, 2019, the nation entered the longest period of time without a federal minimum wage increase in the law's 80-year history. Congress has never let the federal minimum wage erode for this long.
    a. How does Congress' delay and failure to raise the minimum wage to $15 per hour leave working people behind?

2. Dr. Barber, some have expressed concern that a $15 minimum wage by 2024 would be "too high" or "too bold." What would you expect the impacts on workers and the economy of a $15 minimum wage to be?
    a. How can a $15 minimum wage help address poverty and rising income inequality in our nation?
    b. How would working people's need to rely on work support programs like the Supplemental Nutrition Assistance Program, or SNAP, change if they were paid a living wage?
    c. Would working people in lower cost-of-living areas be better or worse off if they could earn at least $15 an hour?

Responses from the
Poor People's Campaign: A National Call for Moral Revival to
Questions for the Record
From Representative Jan Schakowsky

House Budget Full Committee Hearing, "Poverty in America: Economic Realities of Struggling Families"
Wednesday, June 19, 2019

Rev. Dr. William J. Barber II
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In 2017, there were nearly 40 million people living in poverty in the United States, representing 12.3 percent of Americans. Millions more are struggling to make ends meet yet are not captured by the current official definition of poverty. Even worse, the Trump Administration is trying to further narrow this definition, limiting access to government programs.

1. **What about the federal government's current official poverty measure makes it inaccurate and under-inclusive?**
    a. **What would you recommend we do to ensure it more accurately reflects what it means to be poor in this country? Is there a better measure?**

For several years, the Kairos Center for Religions, Rights and Social Justice and the Poor People's Campaign: A National Call for Moral Revival have been examining U.S. Census Data on poverty. Since 2017, we have worked with policy institutes and economists to develop an assessment of current measures of poverty – and their limitations – and identify the best measures to understand the state of poverty and economic insecurity in the U.S. today. This includes the Institute for Policy Studies and the Center on Poverty and Social Policy at Columbia University. Our analysis of our official poverty measures is the result of this collaborative work.

TWO MEASURES OF POVERTY: THE OPM AND THE SPM: The U.S. Census provides two different measures of poverty: the official poverty measure (OPM) and the supplemental poverty measure (SPM).The OPM was developed in 1963 and is based on income and food expense data from 1955. At that time, a poor family of 3 or more was found to spend about 1/3 of its income on food. While the OPM has been updated to account for inflation based on the Consumer Price Index, it does not account for how household expenses have changed relative to the costs of food. The OPM still assumes the basic formula – that households spend 1/3 of their income on food – but it does not

reflect current patterns of household spending, including how rent, health care, gas, or other common household expenses have changed since 1955.

In 1995, the National Academy of Sciences recommended a new measure for estimating poverty in the United States.[1] The result has been the development and U.S. Census Bureau publication (since 2011) of the Supplemental Poverty Measure (SPM). The SPM accounts for family income after taxes and transfers, and as such, it shows the antipoverty effects of some of the largest federal support programs, including the Supplemental Nutrition Assistance Program (food stamps/SNAP) and the Earned Income Tax Credit (EITC). It also takes into account critical out-of-pocket expenses for food, clothing, housing, and utilities, and is adjusted by geography as well as housing tenure (whether you are a homeowner, mortgage-holder, or renter.[2]

As a comparison of the two measures:

- In 2017, the poverty threshold under the OPM was $24,858 for a 4-person household.
- Under the SPM, the poverty threshold for a 2-adult, 2-child household ranged from $23,261 to $27,085, depending on whether you were a renter or homeowner and whether or not you had a mortgage.

Poverty indicators are always estimates of some underlying conditions of income hardship that are difficult to observe. This means that these measurements are, to some degree, always limited. However, the SPM is the measure of choice by poverty researchers.[3] In 2019, the National Academies consensus report on reducing child poverty by half specified the SPM as the metric for evaluating potential policies.[4]

POVERTY AND ECONOMIC INSECURITY: Although it is preferred over the OPM, the SPM poverty threshold remains a meager estimate of poverty. For instance, according to the SPM, a four-person household with an income of $30,000 is not poor because they fall above the designated threshold.

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[1] Citro, Constance F., and Robert T. Michael, eds. 1995. Measuring Poverty: A New Approach. Washington, DC: National Academy Press. https://www.nap.edu/catalog/4759/measuring-poverty-a-new-approach.

[2] Fox, Liana. 2017. "Anchored and relative: Supplemental thresholds for the SPM," Working paper SEHSD-WP2017-50, U.S. Census Bureau. https://www.census.gov/library/working-papers/2017/demo/SEHSD-WP2017-50.html; Johnson, David S., and Timothy M. Smeeding. 2012. "A consumer's guide to interpreting various U.S. poverty measures," University of Wisconsin-Madison Institute for Research on Poverty, Fast Focus (14) May 2012. https://www.irp.wisc.edu/publications/fastfocus/pdfs/FF14-2012.pdf.

[3] Fox, Liana. 2018. "The Supplemental Poverty Measure: 2017," Report P60-265, U.S. Census Bureau. https://www.census.gov/library/publications/2018/demo/p60-265.html; Hutto, Nathan, Jane Waldfogel, Neeraj Kaushal, and Irwin Garfinkel. 2011. "Improving the measurement of poverty," *Social Services Review*, 85 (1): 39-74. https://www.journals.uchicago.edu/doi/10.1086/659129.

[4] Duncan, Greg, and Suzanne Le Menestrel, eds. 2019. A Roadmap to Reducing Child Poverty. Washington, DC: The National Academies Press. https://doi.org/10.17226/25246.

Instead, the population living between 100-199% of the poverty threshold is sometimes defined as "low-income."[5] While not technically categorized as poor, they are living just one emergency, traffic violation or health care crisis away from being poor and are at a higher risk of falling into poverty over the course of the year. This is why the 2019 National Academies consensus report also makes reference to families with incomes below 200 percent of the SPM poverty threshold as a group to look at closely when considering economic insecurity.[6]

The distinction between those who fall below the threshold and those who fall above it is arbitrary for those who are living in economic insecurity. For this reason, the Poor People's Campaign looks at everyone living under 200% of the SPM poverty threshold to estimate poverty and economic insecurity.

According to the SPM from 2017, 43.5% or 140 million people are poor or low-income in the US today.[7] This breaks down into the following demographics:[8]

- 52.1% or 38.5 million children (below 18)
- 42.0% or 21 million elders (above 64)
- 41.6% or 65.8 million men
- 45% or 74.2 million women
- 59.7% or 23.7 million Black, non-Hispanic people
- 64.1% or 38 million Latinx people
- 40.8 or 8 million Asian people
- 58.9% or 2.14 million Native/Indigenous people
- 33.5% or 65.6 million White, non-Hispanic people

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[5] Duncan, Greg, and Suzanne Le Menestrel, eds. 2019. A Roadmap to Reducing Child Poverty. Washington, DC: The National Academies Press. https://doi.org/10.17226/25246. *See also*, Halfon, Neal, Kandyce Larson, John Son, Michael Lu, Christina Bethell. 2017. "Income inequality and the differential effect of adverse childhood experiences in US children," *Academic Pediatrics*, 17 (7): S70-S78. https://doi.org/10.1016/j.acap.2016.11.007; Hardy, Bradley, Timothy Smeeding, and James P. Ziliak. 2018. "The changing safety net for low-income parents and their children: Structural or cyclical changes in income support policy?" *Demography*, 55 (1): 189-221. https://doi.org/10.1007/s13524-017-0642-7; Jiang, Yang, Mercedes Ekono, and Curtis Skinner. 2016. "Basic facts about low-income children: Children under 18 years, 2014," Fact sheet, National Center for Children in Poverty, Mailman School of Public Health, Columbia University. http://www.nccp.org/publications/pub_1145.html; Wimer, Christopher, Sophie Collyer, Irwin Garfinkel, Lauren Kennedy, Matthew Maury, Kathryn Neckerman, Julien Teitler, and Jane Waldfogel. 2018. "The state of poverty and disadvantage in New York City," Report, Poverty Tracker: Monitoring Poverty and Well-Being in NYC, Robin Hood Foundation. https://robinhoodorg-production.s3.amazonaws.com/uploads/2018/12/PT_ANNUAL_12.19.pdf.

[6] Duncan, Greg, and Suzanne Le Menestrel, eds. 2019. A Roadmap to Reducing Child Poverty. Washington, DC: The National Academies Press. https://doi.org/10.17226/25246;

[7] https://www.census.gov/content/dam/Census/library/publications/2018/demo/p60-265.pdf; https://ips-dc.org/supplemental-poverty-measure/

[8] https://www.census.gov/content/dam/Census/library/publications/2018/demo/p60-265.pdf

A similar statistic came out of the 2018 Federal Reserve Report on the Economic Well-Being of U.S. Households, finding that 40% of adults in this country could not afford a $400 emergency.[9]

As compared to the OPM, the SPM more closely reflects contemporary household expenses. Including the low-income population in this calculation is important to estimate the economic insecurity gripping more and more Americans and account for a poverty line that is too low for today's costs of living. And yet, this measure does not account for indebtedness, medical needs or insurance costs, among others.

The SPM also requires more information to be collected than the OPM. Currently, the Annual Social and Economic Supplement (ASEC) is the only government survey designed to capture the information needed to construct SPM measures, but it only surveys about 40% of the country. Of the more than 3,100 counties in the U.S., ASEC samples only 1,300. In contrast, the more widely used American Community Survey is designed for small geographies, but does not include enough information for SPM measurements. This means that data used to calculate SPM values for, especially, rural and small towns, Indigenous & Native communities, and other populations that are more difficult to identify or reach – for instance, people who are currently homeless, LGBTQIA, and people with disabilities – are underrepresented in even the most accurate poverty measures.

This is why an accurate assessment of poverty must begin with the broader SPM measure and allocate resources toward expanded capacity to identify and include all of these populations.

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[9] https://www.federalreserve.gov/publications/files/2017-report-economic-well-being-us-households-201805.pdf

2. If the Trump Administration's proposal to change the way we calculate the poverty level goes into effect, who would be most impacted?

The change that is being proposed by the Trump Administration is to use an alternative measure of inflation. The current poverty measure looks at the Consumer Price Index (CPI) to calculate average price changes associated with the costs of living. The proposal would use the chained CPI, which factors in shifts to cheaper options as prices change and is a lower measure of inflation. The impact of this change would be to lower the poverty threshold – the income below which a household is officially categorized as poor. The Department of Health and Human Services eligibility guidelines – for health care, nutrition and other basis assistance programs – are directly based on the Census Bureau's poverty thresholds. The impact of lowering this threshold will be for millions of people to lose access to these critical programs.

According to the Center on Budget and Policy Priorities: "[T]he proposed change would lower the income-eligibility cutoffs for all of these programs, cutting or eliminating assistance to some individuals and families. The policy's impact would be small at first but would grow each year. For example, by the tenth year, millions of people would lose eligibility for, or receive less help from, health and nutrition programs:

- More than 250,000 seniors and people with disabilities would lose or receive less help from Medicare's Part D Low-Income Subsidy, meaning they would pay higher premiums for drug coverage and pay more out of pocket for prescription drugs.
- More than 300,000 children would lose comprehensive coverage through Medicaid or the Children's Health Insurance Program, and more than 250,000 adults would lose coverage through the Affordable Care Act's (ACA) Medicaid expansion.
- Millions of ACA marketplace consumers would receive lower premium tax credits, meaning they would pay higher premiums, and more than 150,000 would get less help with cost sharing, meaning their deductibles would increase.
- Significant numbers of low-income households, primarily in working families, would lose eligibility for federal nutrition assistance programs including SNAP (food stamps); the WIC nutrition program for low-income women, infants and children; and free school meals."[10]

In short, low-income households and parents, children, the elderly and people with disabilities would be impacted by this change.

As indicated in the answer to question (1) above, there are alternative ways to change the definition of poverty that more accurately capture the extent of poverty and economic insecurity that is being experienced in the U.S. today. Using the Supplemental Poverty Measure and including those who fall in the 100-199% of the poverty threshold – that is, people who are living one emergency away from falling under the poverty line – are two complementary ways to improve the current measure and enable our government to fulfill its responsibility.

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[10] https://www.cbpp.org/research/poverty-and-inequality/faq-the-trump-administrations-proposal-to-lower-the-federal-poverty

a. Could private charities and religious organizations support the needs of the most vulnerable who are affected by this policy change?

Many claim that when necessary, alleviating poverty is best done through private charity. But the Poor People's Campaign: A National Call for Moral Revival asserts that there is no such thing as a self-made person. Every wealthy person benefited from a system of public investment, including infrastructure, educational systems, and the rule of law, without which their wealth would not be possible. Indeed, we set out in the Poor People's Moral Budget: Everybody Has the Right to Live that it is only fair that they contribute back to the system that made their wealth possible. And we question the effectiveness of charity to address significant social problems. While it is a good thing to be generous, in many cases charities actually inscribe the very inequalities they often seek to address. Furthermore, poverty and inequality created by policies must be remedied by policy not pity.

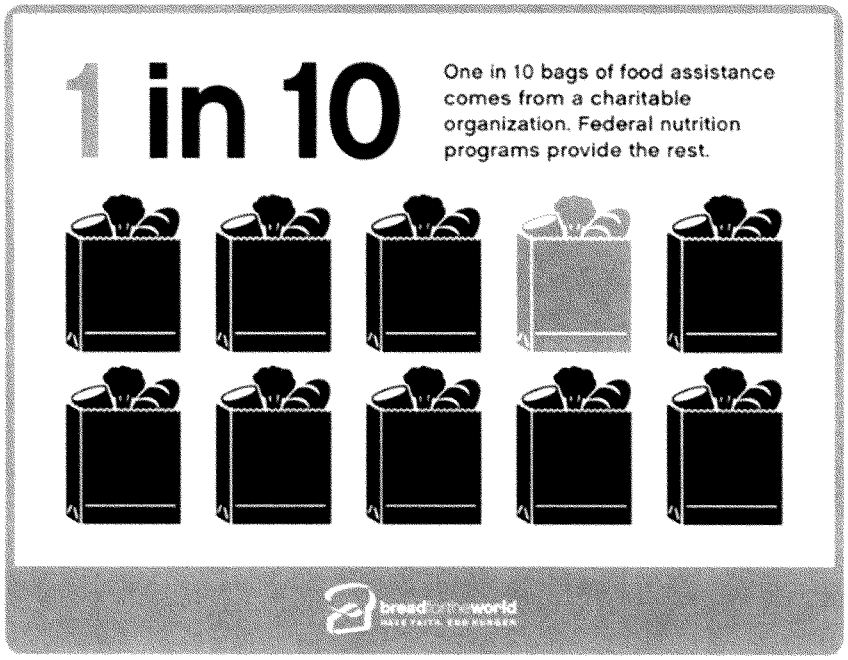
Indeed, given the level of poverty and economic insecurity that we have written about above, private charity and religious organizations supporting the needs of the poor may not be enough. The scale and structure of government services, the nature of religious programs, and the declining role of organized religion in public life are all challenges to be raised in light of the government abdicating responsibility for poor families and pushing increased need to charitable institutions. For some faith groups, proselytizing may be part and parcel of how they reach out to the needy. But this may be problematic in a pluralistic multi-faith society.

Emma Green writes in *Can Religious Charities Take the Place of the Welfare State*?, "Using a national survey of religious congregations in the U.S., the Duke Divinity School professor Mark Chaves found that 83 percent of congregations have some sort of program to help needy people in their communities. Most often, these efforts provide clothing, food, and temporary shelter, rather than intensive, long-term programs on substance abuse, post-prison rehabilitation, or immigrant resettlement. The median amount congregations spent on social-service programs was $1,500. "Religious congregations do a lot," said Mary Jo Bane, a professor at Harvard University. But "the scale of what they do is trivial compared to what the government does. Especially if you think about the big government programs like … food stamps and school lunches, or health services through Medicaid, what religious organizations do is teeny tiny.""
(https://www.theatlantic.com/politics/archive/2017/03/budget-religion/520605/)

And as the *LA Times* reports, "Charitable organizations typically fall prey to the same economic pressures as the rest of society. "Giving falls when it's needed the most," observes Christopher Wimer, an expert on poverty and the social safety net at Columbia University…The largest single recipient of philanthropy is religion — 32% of the total, according to Giving USA. But only a small portion of that goes to outreach to the needy; more than three-quarters of donations to religious organizations is spent on "congregational operations," including facilities upkeep, the Indiana University study found."
(https://www.latimes.com/business/la-xpm-2014-mar-30-la-fi-hiltzik-20140330-story.html)

Food assistance programs are one example of where, despite the widespread and growing network of charitable, religious and philanthropic organizations that provide food pantries and food banks, government assistance remains critical to meeting food and nutrition needs of poor families and households. While there are no official numbers of how many emergency food providers (food banks, food pantries and soup kitchens) there are in the

US, it is estimated that there are about 60,000. However, according to Bread for the World, SNAP and other government food programs remains vital to addressing hunger. In its graphic below, only 1 out of every 10 grocery bags needed to keep hunger at bay is provided through charitable efforts. The rest represent federal anti-hunger programs.



These larger questions and problematics also connect with the larger need to explore the role that charity and anti-poverty services by religious institutions play in the alleviation of poverty. We include the following quote from Rev. Dr. King on the topic:

"A true revolution of values will soon cause us to question the fairness and justice of many of our past and present policies. On the one hand, we are called to play the good Samaritan on life's roadside; but that will be only an initial act. One day we must come to see that the whole Jericho road must be transformed so that men and women will not be constantly beaten and robbed as they make their journey on life's highway. True compassion is more than flinging a coin to a beggar; it is not haphazard and superficial. It comes to see that an edifice which produces beggars needs restructuring. A true revolution of values will soon look uneasily on the glaring contrast of poverty and wealth...and say "This is not just." – Martin Luther King, Jr., "A Time to Break Silence," Riverside Church, New York City, April 4, 19671

In a "Time to Break the Silence" and other writings and sermons, Rev. Dr. Martin Luther King offers a radical critique of the status quo, including the charity systems that uphold it. Rather than simply accepting that the only responses to poverty are band-aid solutions with no critique of economic systems and structures that hurt communities and destroy lives,

King reminds American society that poverty is demeaning, unnecessary and outright evil. Through naming the injustice of contemporary political and economic systems, King challenges all people of good will and conscience to transform the whole of society. Indeed, as a religious leader King asserts that God requires justice and love for all and judges that which impoverishes and tramples on God's children. King's quote suggests that helping individuals is necessary but the only true help for individuals is bettering all of society. He insists that poverty should and could be ended with the poor as an organized social force leading the way. He suggests that the poor and dispossessed must be united and organized rather than the poor need to be fixed.

This moves us to a larger critique of charity. Ideologically, charity functions to demonstrate how much the rich care about the poor. Inequality and verticality are inherent in the charity system. On the political level, charity help the elites gain allegiant political bases and stabilize radically unequal political and economic systems. On the material level, charity makes more money for the wealthy and do not meet the needs of the poor. Many empirical studies of poverty show that charity does not really address the larger social problem, but instead undergirds the system of debt, taxation, and poverty creation of the existing economic structures. Government workers, social workers, foundation administrators, political advocates, social entrepreneurs, non-profit executives and others are paid to "help the poor" and be a "voice for the voiceless." While most of these workers don't make much money (although some certainly do), and can even be poor themselves, they become dependent on, and therefore often allegiant to, systems of charity and thus the status quo.7 What is less known are the ways that the wealthy are actually able to enrich themselves off the poverty of the poor and through their acts of charity and patronage. Philanthropists get public praise, tax breaks, even profits from the sale of their medicines in the name of helping the poor while they work to protect intellectual property rights. At the same time, they're able to avoid the question of why people are too poor to be able to afford medicine in the first place.

King and the great religious leaders of history are not alone in their critiques of charity. William Sloane Coffin, Pastor Emeritus of The Riverside Church in New York and a leader in the nuclear disarmament and peace and justice movement writes:

Many of us are eager to respond to injustice, as long as we can do so without having to confront the causes of it. There's the great pitfall of charity. Handouts to needy individuals are genuine, necessary responses to injustice, but they do not necessarily face the reason for injustice. And that is why so many business and governmental leaders today are promoting charity; it is desperately needed in an economy whose prosperity is based on growing inequality. First these leaders proclaim themselves experts on matters economic, and prove it by taking the most out of the economy! Then they promote charity as if it were the work of the church, finally telling us troubled clergy to shut up and bless the economy as once we blessed the battleships.

Kenia Alcocer
Poor People's Campaign

The Trump Administration is considering imposing a new "public charge" rule to make it easier to deport U.S. legal permanent residents who have used public benefits. I am appalled by this effort to restrict immigration by low-income people and to prevent eligible people from accessing much needed services and supports.

1. **If this policy is implemented, and immigrants are punished for seeking public benefits, what kinds of effects would we see within immigrant communities?**

The new rule to be proposed by the Department of Justice is expected to expand the grounds on which immigrants, including those who have already been granted legal permanent resident status, can be deported. The rule would result in more deportations of immigrants who have already received documented legal status in the United States.

Under current rules, immigrants with legal status cannot be deported just for receiving public benefits for which they are legally eligible. Under the new public charge deportability standards, current legal residents who receive public assistance within their first five years would be especially vulnerable to deportation. Since most new immigrants must wait five years to become eligible for public benefits, the groups most at risk for deportation under the new rule would be those that are currently eligible for benefits more immediately, including: lawful permanent resident children who receive SNAP or Medicaid; refugees and people granted asylum; non-citizen veterans and active duty military members and their families; and lawful permanent residents who receive housing assistance.[11]

The effect of the rule change would not be limited to immigrants who are actually deported. The rule would discourage immigrants with documented legal or even permanent resident status from accessing public benefit programs for which they are lawfully eligible. Confusion about the rule change could discourage immigrants, including families with children, from receiving services they need, including health care, food assistance, and housing programs.

The rule change would lead to more widespread fear of deportation in immigrant communities. The federal government is currently trying to evict families of mixed status from public housing. This new rule is another way of separating families, especially those who would be forced into the position of evicting undocumented members of their families or to rescind their public housing to find housing in the private market, which is often prohibitively expensive. Children cannot remain in housing without their parents and would become homeless. While this is especially true of undocumented families whose children quality for assistance programs, but it is possible that even naturalized

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[11] "Public Charge & Deportation: FAQ for Advocates and Community Members," Protecting Immigrant Families, July 10, 2019. https://protectingimmigrantfamilies.org/wp-content/uploads/2019/07/PIFdeportationFAQjuly.pdf

citizens would be fearful enough to forego benefits for which they are legally eligible, for fear of deportation.

Effects of the deportability rule would be compounded by the previously proposed rule to change the rules of admission to the country based on the future likelihood of becoming a "public charge," or one who relies on public benefits. The rule previously proposed by the Department of Homeland Security in October of 2018 would mean that admission to the country, or continuing legal status for those already here, would be threatened for anyone the government deems likely to use certain public benefits in the future. More than two thirds of current lawful permanent residents meet one or more of the criteria that would bar an applicant from permanent legal status under the proposed rules for admission, suggesting that this rule change could threaten immigration status for many current and future immigrants.[12]

The proposed rule changes are intended to discourage migration and possibly to encourage current lawful residents to leave. Ironically, admitting more immigrants for citizenship and/or lawful permanent status would result in more money in our federal coffers, even after accounting for increased use of public benefits. According to one study by the Congressional Budget Office, comprehensive immigration reform that provided a pathway to citizenship for many immigrants would result in $46 billion per year in revenues from increased income and payroll taxes, but would cost only $26 billion per year in increased use of public benefits and services – a net gain for the federal government.[13]

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[12] Shawn Fremstad, "Trump's 'Public Charge' Rule Would Radically Change Legal Immigration," Center for American Progress, November 27, 2018, https://www.americanprogress.org/issues/poverty/reports/2018/11/27/461461/trumps-public-charge-rule-radically-change-legal-immigration/.

[13] Shailly Gupta Barnes, Lindsay Koshgarian and Ashik Siddique, "Poor People's Moral Budget: Everybody's Got a Right to Live," June 2019, https://ips-dc.org/report-moral-budget-2/.

2. **In your experience as an organizer, I am sure you've thought a lot about how to change the minds of people who carry negative, inaccurate views on immigrants. Could you please share with us some of your best ideas on that?**

One of the most damaging narratives against immigrants is the idea that there are good immigrants and bad immigrants. This kind of narrative dehumanizes immigrant communities and creates divisions among us – it is part of the logic that says some people are deserving of the wealth and resources of this country and others are not. Instead of blaming ourselves or other individuals, we have to understand the systems and structures that are the root causes of our misery and suffering.

Through the Poor People's Campaign, we have been able to unite poor whites, poor blacks, poor Browns, poor indigenous communities and have a true discussion and why we are poor and break the narrative that it is because of each other's shortcomings. In order to really change our entire society we need to humanize ourselves and each other and understand that every single person has the right to have a life with dignity.

What we are seeing at the border today with children dying and children living in inhumane conditions and the pain and suffering that immigrant parents are going through of being separated from their children is not different than the pain and suffering a poor white mother whose children has been taken away from her because she is poor. The criminalization of undocumented communities looks and feels the same as the criminalization of homeless communities, of black communities, and poor communities. The message that needs to be conveyed to every single person who is suffering is not that their suffering is more important or that one community is more important than another, but that if we unite and work together, we can stop the suffering of every single community.

It is our responsibility to ask representatives of this government to ensure the people no longer suffer due to poverty, systemic racism, ecological devastation, the war economy, and this distorted more narrative. It is also your job as elected representatives to ensure that those who have been damaging this nation no longer do it and pay their fair share to ensure that there is enough funding so that everybody can have access to healthcare, housing, food, living wages.

We need to end the narrative of scarcity. We have enough for everyone. This is the most bountiful country in the world, and it could afford to give every single person in this country right now a life with dignity and basic human rights.

Responses from the
Poor People's Campaign: A National Call for Moral Revival to
Questions for the Record
from
Representative Bobby Scott

House Budget Full Committee Hearing, "Poverty in America: Economic Realities of Struggling Families"
Wednesday, June 19, 2019

1. **Dr. Barber, in March 2019, the Committee on Education and Labor reported out of Committee H.R. 582, the *Raise the Wage Act*, which would gradually raise the federal minimum wage to $15 per hour by 2024. Yet on June 16, 2019, the nation entered the longest period of time without a federal minimum wage increase in the law's 80-year history. Congress has never let the federal minimum wage erode for this long.**
    a. **How does Congress' delay and failure to raise the minimum wage to $15 per hour leave working people behind?**

The minimum wage as it stands is criminally inadequate, and the delay in legislating a livable wage floor is a moral failure. By even the meager official poverty measures, a $15 minimum wage is a poverty wage for a single working parent. Forty-four percent of people experiencing homelessness have a job, but are unable to afford shelter.[1]

There's no economic reason for the delay. Had the minimum wage grown with labor productivity since 1968, it would be more than $20 today.[2] Meanwhile, the average Wall Street bonus has increased by 1000% since 1985. Had the minimum wage grown at that rate, it would be $33.51 instead of $7.25.[3] A decade of neglect has kept workers from reaping the rewards of their labor while the wealthiest pocket massive profits.

The failure to raise the wage means the United States is an outlier among other countries in terms of our wage floor. The U.S. has the lowest ratio of minimum wage to average wage of full-time workers of any country in the OECD.[4] The delay in raising the wage doesn't only hurt workers. A higher minimum wage would boost consumer

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[1] William Darity and Darrick Hamilton, "The Federal Job Guarantee," Intereconomics 53 (May/June 2018): 179-180, https://archive.intereconomics.eu/year/2018/3/the-federal-job-guarantee/
[2] Source: Economic Policy Institute, Gradually raising the minimum wage to $15 would be good for workers, good for businesses, and good for the economy,) https://www.epi.org/publication/minimum-wage-testimony-feb-2019/
[3] *Source: Institute for Policy Studies, How Wall Street Drives Gender and Race Pay Gaps,* https://inequality.org/great-divide/wall-street-bonus-pool-2019/
[4] Source: OECD, Minimum relative to average wages of full-time workers, https://stats.oecd.org/Index.aspx?DataSetCode=MIN2AVE#

spending and generate new economic activity, because lower-income households spend more of their income than higher-income households, who tend to save more.[5]

[5] "The Impact of Raising the Federal Minimum Wage to $12 by 2020 on Workers, businesses and the Economy," Economic Policy Institute (EPI), April 27, 2016, https://www.epi.org/publication/the-impact-of-raising-the-federalminimum-wage-to-12-by-2020-on-workers-businesses-and-the-economy-testimony-before-the-u-s-housecommittee-on-education-and-the-workforce-member-forum/.

2. **Dr. Barber, some have expressed concern that a $15 minimum wage by 2024 would be "too high" or "too bold." What would you expect the impacts on workers and the economy of a $15 minimum wage to be?**
    a. **How can a $15 minimum wage help address poverty and rising income inequality in our nation?**

While low-wage workers have gone a decade without a boost in the federal wage floor, the country's wealthiest are seeing their incomes soar. The richest 1% of Americans have had the fast income growth in recent decade. They've seen their incomes skyrocket by 233% from 1979-2015 – more than seven times faster than the incomes of the bottom 20% of Americans during that same time period.[6]

A higher minimum wage would make crucial inroads in narrowing our too-wide income gaps by lifting the take-home pay of broad swathes of the workforce. The Congressional Budget Office's own report found that raising the minimum wage to $15 by 2025 would lift 1.3 million people out of poverty while boosting the wages of 27 million workers.[7] Other estimates have put that number closer to 40 million workers, or more than a quarter of the workforce.[8]

    b. **How would working people's need to rely on work support programs like the Supplemental Nutrition Assistance Program, or SNAP, change if they were paid a living wage?**

A real living wage means that employers pay their workers enough to live. The current minimum wage, however, is a poverty wage. Research on the current attempts to raise the wage shows a widespread impact on the working poor. Two-thirds (67.3%) of working poor people in the United States would receive a boost in income if the minimum wage were increased to $15 by 2024. The workers who would benefit from increasing the wage to $15 an hour are overwhelmingly adult, most of whom work full time, and the workers with families who would benefit are typically the breadwinners.[9]

This means that if real living wages were implemented, public assistance programs could save substantial resources. A 2015 study found that between 2009 and 2011, the federal government spent $127.8 billion and states collectively spent $25 billion on

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[6] Source: Congressional Budget Office, The Distribution of Income, 2015. https://www.cbo.gov/publication/54646

[7] *Source: Congressional Budget Office, The Effects on Employment and Family Income of Increasing the Federal Minimum Wage,* https://www.cbo.gov/system/files/2019-07/CBO-55410-MinimumWage2019.pdf

[8] Source: Economic Policy Institute, Raising the federal minimum wage to $15 by 2024 would lift pay for nearly 40 million workers https://www.epi.org/publication/raising-the-federal-minimum-wage-to-15-by-2024-would-lift-pay-for-nearly-40-million-workers/

[9] *Source: Economic Policy Institute, Raising the federal minimum wage to $15 by 2024 would lift pay for nearly 40 million workers* https://www.epi.org/publication/raising-the-federal-minimum-wage-to-15-by-2024-would-lift-pay-for-nearly-40-million-workers/

public support for working families – more than 56 percent of combined state and federal assistance.[10]

c. Would working people in lower cost-of-living areas be better or worse off if they could earn at least $15 an hour?

Working people in lower cost-of-living areas have the most to gain. Researchers have found that minimum wage boosts can have especially positive effects in low-cost states. A recently released working paper studied minimum wage changes in 750 counties across 45 states over more than a decade. They found reduced household and child poverty in counties where the ratio of minimum wage to median wage was highest.[11]

A robust national floor wouldn't prevent cities and states from adopting higher minimum wages to compensate for higher cost of living. But regional proposals tend to give smaller raises to workers in the South, and particularly harm black workers.[12]

And while workers in lower cost-of-living areas would undoubtedly be better off by a $15 an hour minimum wage, this still isn't enough in most places in the United States. A single adult living in Tulsa, Oklahoma would need to work year-round, full-time at a wage of $16.82 per hour to meet all of their expenses. In San Francisco, that same adult would need to earn $33.63 per hour to make ends meet. [13]The National Low-Income Housing Coalition has found that an hourly wage of $22.10 is the national average wage needed to afford a two-bedroom apartment. [14] That's why our demand is for the immediate implementation of state and federal living wage laws that are adequate for the 21st century economy, along with guaranteed annual incomes, full employment, and the right for all workers to unionize.

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[10] *UC Berkeley Center for Labor Research and Education, The High Public Cost of Low Wages, 2015, http://laborcenter.berkeley.edu/pdf/2015/the-high-public-cost-of-low-wages.pdf*

[11] Source: Anna Godøy and Michael Reich. (2019). "Minimum Wage Effects in Low-Wage Areas". IRLE Working Paper No. 106-19. http://irle.berkeley.edu/files/2019/07/Minimum-Wage-Effects-in-Low-Wage-Areas.pdf)

[12] Source: Economic Policy Institute, Fact sheet on regional minimum wage proposals, https://www.epi.org/publication/fact-sheet-on-regional-minimum-wage-proposals-millions-of-workers-would-lose-out-on-billions-of-dollars-under-a-regionally-adjusted-federal-minimum-wage/

[13] "Family Budget Calculator," Economic Policy Institute (EPI), https://www.epi.org/resources/budget/

[14] Dr. Andrew Aurand et al., "Out of Reach: The High Cost of Housing," National Low Income Housing Coalition (NLIHC), June 13, 2018, https://reports.nlihc.org/sites/default/files/oor/OOR_2018.pdf