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Merry Christmas and Happy New Year



Sa-To's Dance Academy presented its Fall-Winter Showing Dec. 14 at Hayti Heritage Center. The program presented works with jazz, Hip-Hop, stepping and more. The Academy has classes at Hayti Heritage Center.

U.S. Winning the 'War on Poverty'

By Jazelle Hunt

NNPA Washington Correspondent

WASHINGTON (NNPA) - Nearly 50 years after President Lyndon B. Johnson declared war on poverty, a new report finds that robust social safety net programs are slowly leading the nation to victory.

According to the report, "Trends in Poverty With an Anchored Supplemental Poverty Measure," the poverty rate has dropped 40 percent since 1967, as a result of provisions such as housing vouchers, free school lunch unemployment benefits, Social Security, food stamps, and more. Without these programs, the researchers find, the percentage of Americans living in poverty would be twice as high.

"Our research tells us that these programs are important for families struggling to put food on the table and find adequate shelter," says study co-author Christopher Wimer, a research scientist at the Columbia Population Research Center. "For a family of four our measure puts the poverty threshold higher at about \$25,000 a year, which is not going to go so far."

The Census Bureau introduced the official poverty measure (OPM) in 1963 to aid in distributing federal aid. At that time it was based on income and the cost of food. Today, the measure is based on a family's size, cash income, and ages of its members.

The study's authors say that it's an outdated and insufficient measure - not only are there non-cash types of income (such as food stamps or housing subsidies), but also the OPM excludes tax burden, and only considers families linked by blood, marriage, or adoption (same-sex partners or cohabiting couples with children, for example, do not count as family).

It seems the Census Bureau picked up on these deficiencies: in 2010 it introduced the supplemental poverty

measure (SPM). This measure uses an improved threshold, a more inclusive tally of a family's expenses and resources, and a broader definition of "family."

Although the SPM is only intended for research use (the OPM is still used for federal spending), the authors contend that it offers a better picture of American poverty.

According to the OPM, the poverty threshold is around \$23,000, and has been since the late '90s. The SPM offers a higher threshold, largely because it reflects changes in cost of living more acutely - and it also means more people qualify as poor.

To study poverty trends over the last 45 years, the researchers used today's SPM threshold and applied it to American families' household data since 1967 (adjusting for inflation). That year, the official poverty rate was 14 percent; and it hasn't changed much since then, lingering between 11 and 15 percent over 45 years of data. But with the SPM, the poverty rate has steadily declined - in 1967 it would have been 26 percent. It's come down to 16 percent as of 2012, which means that poverty has fallen 40 percent since 1967.

The measure also reveals the impact of anti-poverty programs and policies by examining the effect of taxes (tax requirements, breaks, and credits) and transfers (in-kind federal income, such as housing vouchers and free school lunch). Without including taxes and transfers in the SPM measure the poverty rate would have been 27 percent in 2012. In other words, tax breaks and safety net programs have saved 13 percent of lower-middle income Americans from poverty.

Elise Gould, an economist with think tank nonprofit, Economic Policy Institute also believes in the potential of this measure.

"We absolutely see that if we look at measures - even just the OPM - that if it had not been for these economic

programs more people would be in poverty. All these programs like sick days, housing vouchers, child care credits, help lift people out of poverty," she says. "And the SPM is absolutely the best thing today to examine that. Trying to recreate it back in time is a great undertaking."

The researchers also calculated SPM-based poverty rates for the elderly, working age people, children, and for those in deep poverty (who live on 50 percent or less of the poverty threshold). Taxes and transfers have kept deep poverty around five percent since the '70s. Without them, that rate would be closer to 15 and 20 percent.

This study comes at a time when media spotlight has focused on the rising tide of poverty, especially for urban children. But this month Congress approved nearly \$40 billion of cuts to the Supplemental Nutrition Assistance Program (SNAP, or food stamps) over the next decade, starting last month. One in seven Americans will be affected.

"It's not that we've solved the problems through these programs - there's still 15 or 16 percent of the country living in poverty under our measure," Wimer says. "But our research shows that programs like SNAP do a decent job of helping families meet their food costs, which clears room in the budget to pay rent."

Gould, who also studies economic mobility, believes that while safety net programs are essential, they're only half the battle.

"Government support has done an incredibly good job in helping people, but pre-tax and pre-transfer income for people really hasn't changed a lot," she explains. "You have to really think of ways to increase people's income and that usually means better wages. When the economy is not doing a great job of serving and providing jobs for ordinary people, the government has to step in. With both aspects, you can do a fair amount to alleviate poverty in this country."