

Why Poverty in America and on the African American

Delon Chester & [Joseph Kim](#)

Alliance University

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Professor Marcia B Herrera

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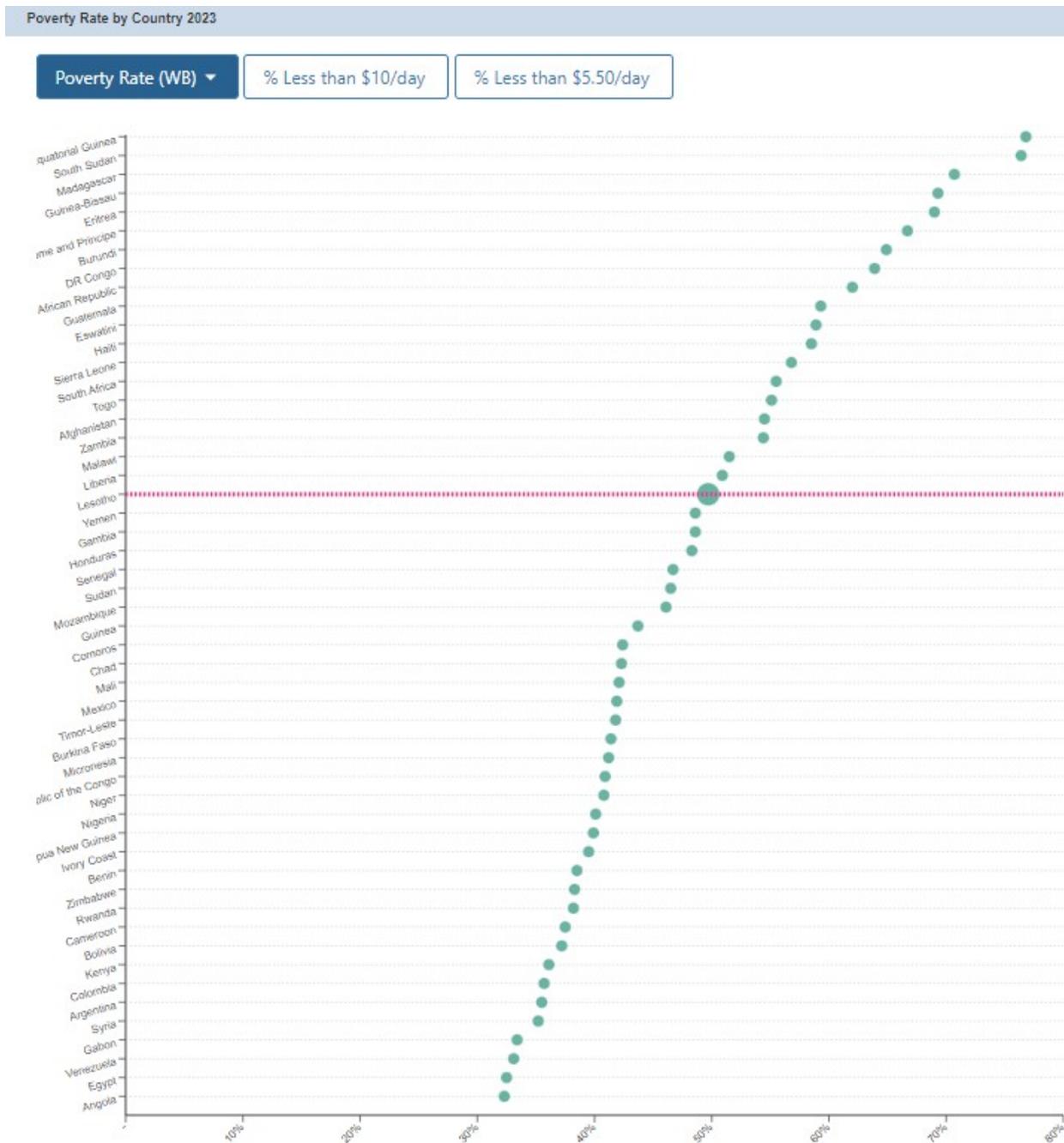
What is poverty? Many would say that poverty is lack of money to pay for resources, shelter, food, and water. Yet it is much more than this. A quote by the World Bank Organization puts it right on the dot:

“Poverty is hunger. Poverty is lack of shelter. Poverty is being sick and not being able to see a doctor. Poverty is not having access to school and not knowing how to read.

Poverty does not have a job, is fear of the future, living one day at a time. Poverty has many faces, changing from place to place and across time, and has been described in many ways. Most often, poverty is a situation people want to escape. So poverty is a call to action -- for the poor and the wealthy alike -- a call to change the world so that many more may have enough to eat, adequate shelter, access to education and health, protection from violence, and a voice in what happens in their communities.” (World Bank Organization)

Mollie Orshansky was the first to create the poverty measure in the mid-1960s by. Yet how to measure Poverty is subjective, while poverty has always existed in the beginning. Starting from where ever there was a city in a land, the rich would get richer, and the poor would be poorer. With that being said, how is it that poverty has not been *solved* yet?

Poverty is an unsolved manmade reality that happens in the real world with real people to this day. As of now the whole world of every respective country have its percentage of how many are in poverty at this time. Below there is a line graph from the World Population Review that shows the percentages; the source comes from the World Bank Organization and others like the Organisation for Economic Co-operation and Development (OECD) and the United Nations.



The amount of poverty in countries is depressing. Now to focus on the United States, 17.8% of the population is in poverty; based on the 2018 data. Comparing America with the other countries from the line graph, a statement of America being in a good spot can be made. To add on, in the 2021 data that was reported by the United States Census Bureau, the US has a declined poverty percentage of 11.7%! Surely the US will be fine over the next years. Perhaps, if

actions are still being met, however, the where those percentage of poverty lies are not discussed. 11.7% of America's 37.9 million people are starving, uneducated, and lacking in resources that would help to be out of poverty.

This paper is about discussing poverty in America and discuss why African Americans are in Poverty; by exposing at least one historical policy that may have failed to stop or added to poverty in the subgroups. Then at least mention one current policy that is failing to reduce the rate of poverty, and after, what type of communities are being affected and what they are doing in this time of poverty. Lastly, will mention an idea/policy that may work for poverty deduction.

First thing, to get the bigger picture, the percentage of each race in America should be shown:

Race and Hispanic Origin	
White alone, percent	75.8%
Black or African American alone, percent (a)	13.6%
American Indian and Alaska Native alone, percent (a)	1.3%
Asian alone, percent (a)	6.1%
Native Hawaiian and Other Pacific Islander alone, percent (a)	0.3%
Two or More Races, percent	2.9%
Hispanic or Latino, percent (b)	18.9%
White alone, not Hispanic or Latino, percent	59.3%

The current population of the United States of America is 334.2 million. See the different percentages of different races is critical to understand the next coming image. What is the percentage of each race that is in poverty:

Location	White	Black	Hispanic	Asian/Native Hawaiian and Pacific Islander	American Indian/Alaska Native
United States ¹	9.5%	21.7%	17.6%	10.2%	25.9%

All of these images came from KFF.org and Census.gov in 2021. To do the calculation, there are millions in poverty for every race. For the black subgroups, if the calculations are correct, 9.8

million black people are in poverty out of the 37.9 million Americans that are in poverty. This is a number that needs to be addressed, which brings the question, what has America done so far?

The 50-year War on Poverty is the name for the fight to stop Poverty in America. In 1964 President Lyndon B. Johnson publicized an “unconditional war on poverty,” and signed the Civil Rights Act and the Economic Opportunity Act of 1964 into law. The plan was for the policy to allow poor incomeed people to be able to get food, housing, education, and any other resources to be able to make ends meet for economic longevity. So one of the main ways the resources are given is through welfare programs. First came food stamps (now known as SNAPs), Community Health Centers, and Head Start. In 1965, Medicaid, Medicare, and Title I of the Elementary and Secondary Education Act were declared. Later the rest came to follow:

“Building on this foundation, the safety net has expanded during the past 50 years to further alleviate poverty and better meet the needs of low-income individuals and families. Some of the major additions to the safety net included the Supplemental Security Income (SSI) program in 1972, the Women, Infants, and Children (WIC) nutrition program in 1972, Pell Grants in 1972, the Earned Income Tax Credit (EITC) in 1975, the child support program in 1975, the Low Income Home Energy Assistance Program (LIHEAP)in 1981, the Children’s Health Insurance Program (CHIP) in 1997, Medicare Part D (Low Income Subsidy)in 2003, and the Affordable Care Act (ACA) in 2010.” (ASPE, 2016)

Whether familiar with the living wage and minimum wage, there is also a line that is associated with the imbalance of income called the poverty line. Over decades the American Population has risen while the numbers in poverty climbed together. A rollercoaster of some getting out of poverty and others that have still been stuck. The numbers of the amount in

poverty don't lie, there is something that is keeping the low-income population stays poor. It is the Welfare Trap. Otherwise known as the Poverty Trap, it is where the money-making personnel is on welfare due to being under the poverty line but when employed and their income goes over the line, they lose their benefits. This causes more money lost due to the same cost for bills, transportation, and (if accounted for) childcare that needs to be paid. So a gamble to either move up to a higher paying job but with most of the money going to what the welfare would have paid off for or to either stay under the welfare but making slow and low savings for the future.

As of now, a possible solution is to allow personnel who are on welfare to stay on welfare even after being employed. Only after a certain amount is made or after a few months to years is done of welfare that the person can still provide for themselves/their family. An idea of a universal income is also theorized but the idea may not be realistic due to payment to everyone in America will mean higher taxes and tax money going elsewhere but like the military, hospitals, and education.

Now about the focus on African Americans in poverty. Researching this topic was sad but brought growth in knowledge and awareness of some of the systematic and institutional root causes of generational poverty within the African-American community in the United States. The plight and/of any culture, race/people should affect all people because we are interdependent and reliant on each other. For example, the poverty of large portions of African-Americans should affect all persons in America because of crime, drug use, literacy, and health, poverty is extremely high and a major epidemic then all persons in our culture will be affected directly and indirectly.

“Black Americans are second most likely to experience poverty, with 21% living below the poverty threshold, following Native Americans at 25%. Black Americans in particular have only ten cents for every dollar in wealth that white families have. The hardships of poverty and lack of a robust social safety net make it extremely likely that a person experiencing poverty will be unable to afford necessary expenses like food, health care costs, and housing, making it a key predictor for homelessness. Therefore, Black people’s overrepresentation among people living in poverty directly leads to their overrepresentation in homelessness.” (NAEH, 2021.)

From the inception of Slavery which for the most part lasted approximately 400 years in the United States African-Americans were financially placed in poverty. Then Segregation/Jim Crow Laws for an additional 100 or more years disenfranchised Africans from the financial institution of America’s wealth; even though its wealth was built largely on the backs of African slaves.

The Creation of the Home Owners Loan Corporation (HOLC) and the Federal Housing Administration (FHA) both created under FDR’s New Deal affected African-American severely. Generational wealth utilizing home ownership or lack thereof amongst African-Americans which still to this day has affected African-Americans tremendously.

“Black people’s inability to build meaningful wealth has its roots in the very inception of this nation. While on its face the end of slavery should have meant the opportunity for Black people to build wealth, in reality, each generation of Black Americans since the end of slavery has faced a new, even more, insidious set of obstacles to obtaining and keeping wealth, status, and stability.” (NAEH, 2021)

The abolition of outright slavery in the US quickly led to the introduction of even more insidious barriers to equity, including sharecropping, forced prison labor, Jim Crow segregation laws, and voter disenfranchisement. These new institutions made life very difficult for Black people in the nineteenth and twentieth centuries and made wealth accumulation nearly impossible. Modern wealth disparities are also exacerbated by factors like patterns of inequality in income and employment. In 2019, the average white household income was \$76,057 while for Black families it was \$46,073, a difference of around forty percent. The reasons for this gap are varied. First, Black people are more likely than White people to work hourly, poverty-wage jobs. Black people are also about twice as likely as white to be unemployed (actively seeking work) than white people, a figure that has held steady for the last seventy years. And when they do find employment, workplace discrimination means that Black workers are still paid less than their white counterparts at every level of employment, even with comparable qualifications.

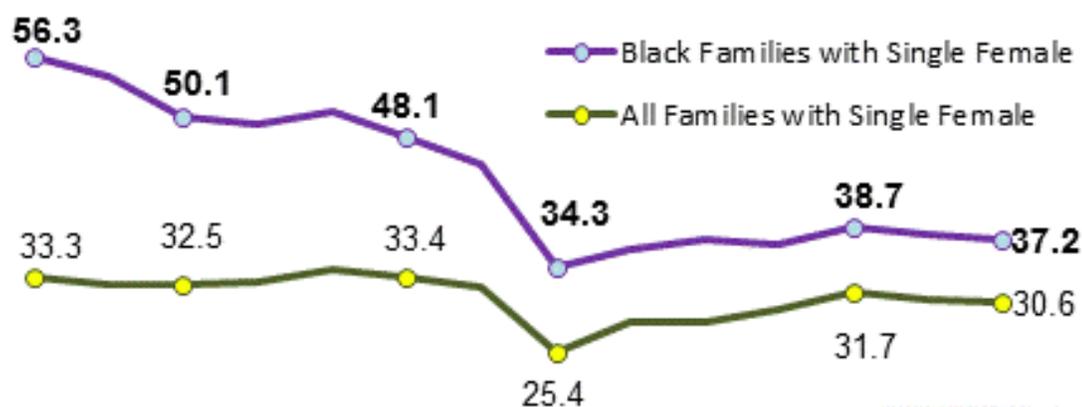
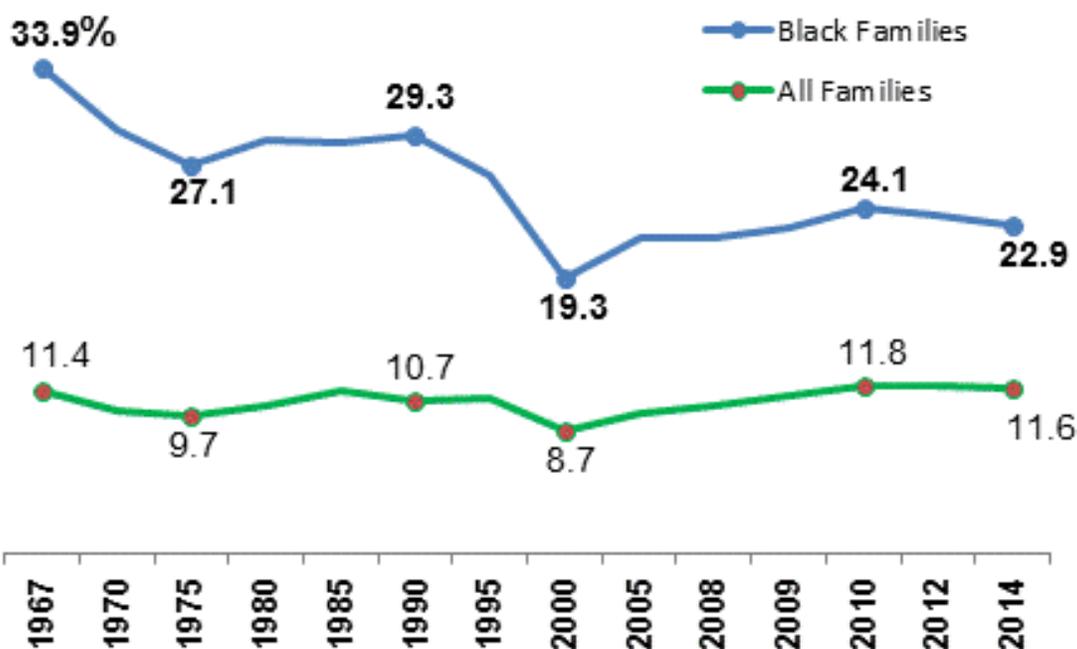
“Black people are also less likely to have wealthy, home-owning parents. Research shows that having wealth correlates strongly with economic stability later in life. Having parents home-owning parents increases the likelihood that a child will eventually go on to become a homeowner. Historical forms of racism like housing discrimination mean that the parents and grandparents of Black people living today are far less likely to have owned homes than white members of their cohort. This means that where white people are more likely to benefit from generational cycles of wealth and ownership. Black people are less likely to go on to have wealth, own homes, or have stable housing. Because homeownership is a key strategy for accumulating wealth, these conditions even further entrench racial wealth disparities.” (NAEH, 2021)

Here are some graphs depicting the historical poverty of African Americans in America.

History of Poverty in Black America

Percentage of Black families in Poverty

(1967-2014)



BlackDemographics.com

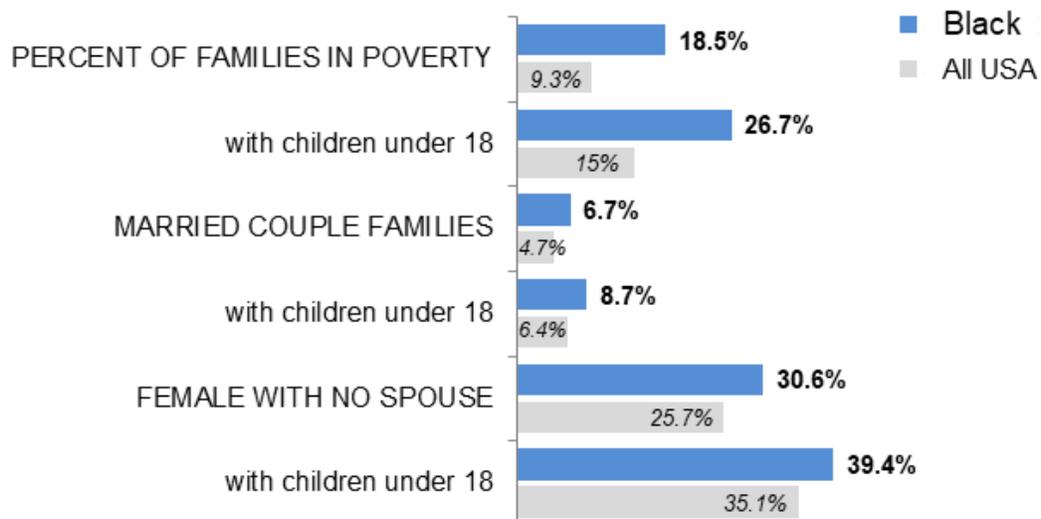
NOTE: Numbers in thousands. Families as of March of the following year

SOURCE: U.S. Bureau of the Census, Current Population Survey, Annual Social and Economic Supplements.

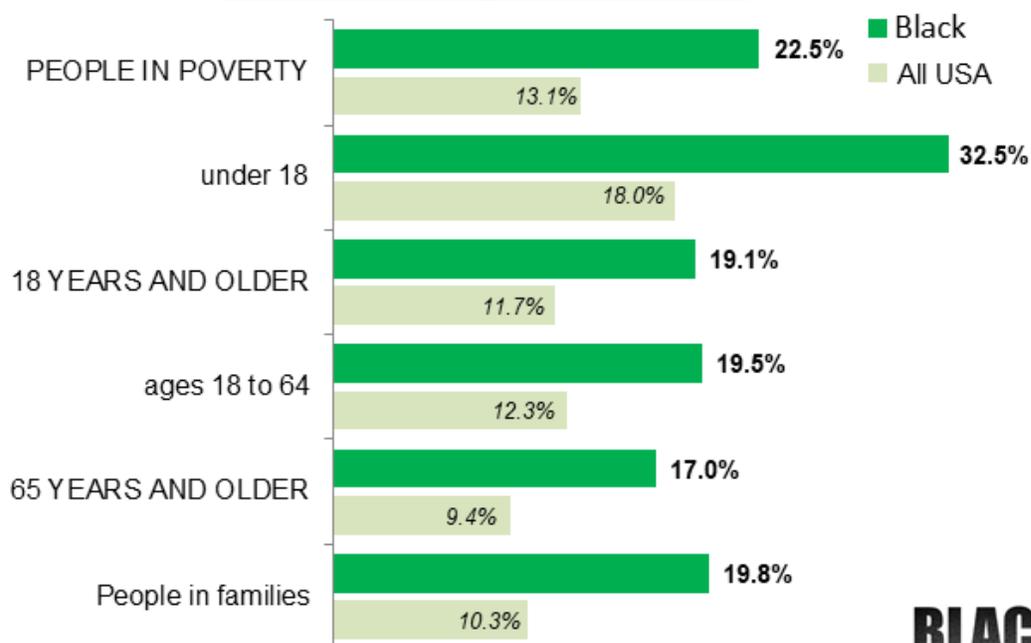


Black Poverty Rates

By Family Type compared to all USA



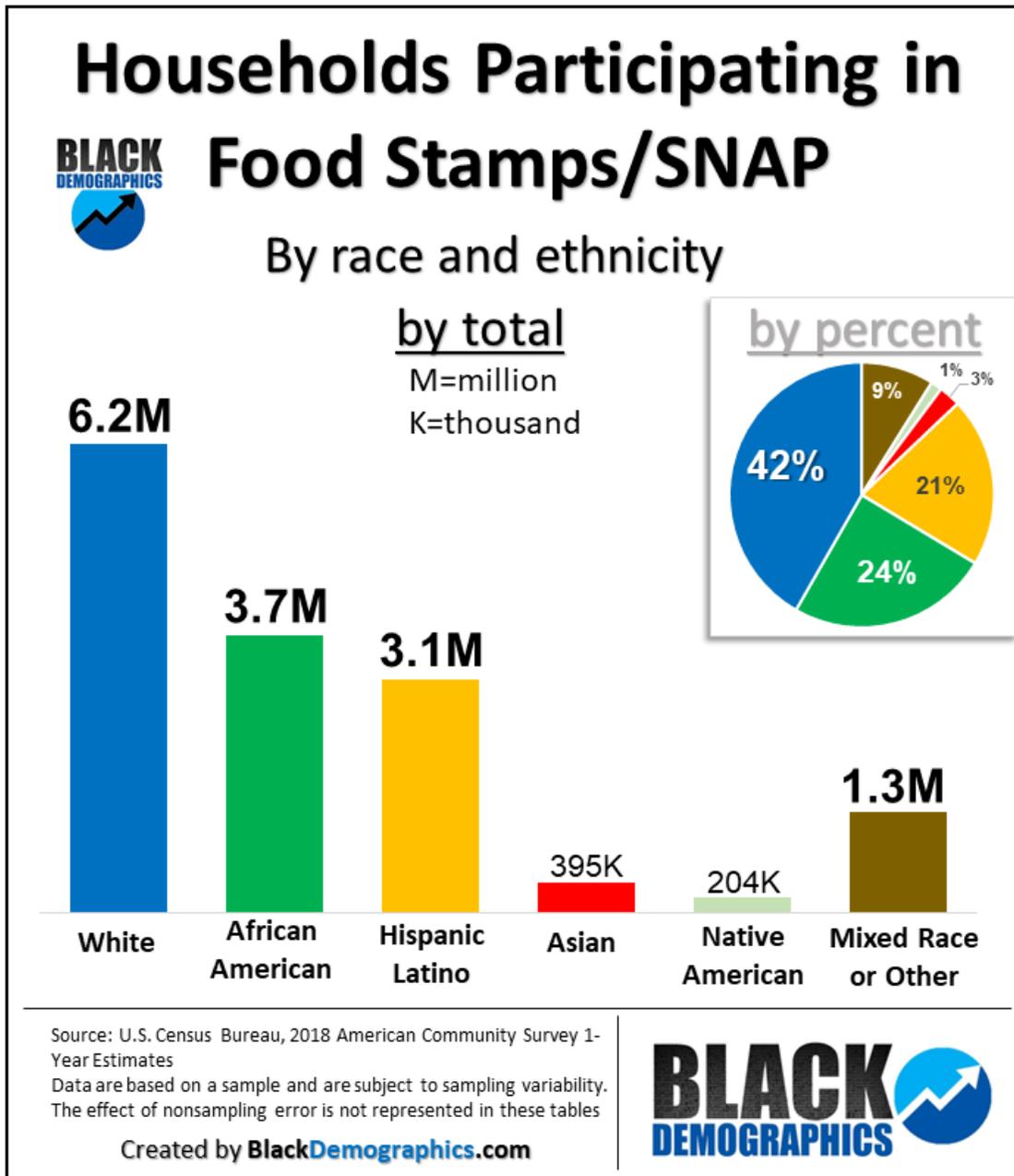
Individuals compared to all USA



Source: U.S. Census Bureau, 2018 American Community Survey 1-Year Estimates

[BlackDemographics.com](https://www.blackdemographics.com)





Policy in support of Reparations for African American with the funding going to four areas: Housing Improvement (Home Ownership), Health Care beginning with Mental Health Treatment of all aspects, Educational Development with a focus on Skill and Trade Training, Financial distribution of minimum of \$100,000 per household, Qualified African -American Representation on each local state and federal body.

In conclusion, poverty is man-made and like all countries, are trying to sustain more of their citizens to fall under the poverty line. Due to a lack of education to achieve higher-paying jobs, people will be stuck in poverty. Or the fact that families are in poverty, the opportunity for kids to achieve higher education would be low, and the need to work early will be high. Either way, the poverty trap will then come in. In the end, the fact that actions are being done, even though those who can share do not, is all that matters.

“When a poor person dies of hunger, it has not happened because God did not care for him or her. It has happened because neither you nor I wanted to give that person what he or she needed.” — Mother Teresa, Roman Catholic nun

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