

LIST OF FIGURES	xi
LIST OF TABLES	xiii
PREFACE AND ACKNOWLEDGMENTS	xv
LIST OF ABBREVIATIONS	xix
INTRODUCTION	3
<i>Looking at the Facts</i>	4
<i>A Note About the Definition of Poverty</i>	9
CHAPTER 1	
The Changing Face of Poverty	13
1.1 <i>Who Is Poor in America Today?</i>	14
1.2 <i>Moving In and Out of Poverty</i>	22
1.3 <i>The Location of Poverty: It's Closer than You Think</i>	27
1.4 <i>Why Don't They Just Get Jobs? Work Behavior among the Poor</i>	30
1.5 <i>Teen Moms and Out-of-Wedlock Births: Changing Fertility and Marriage Behavior in the United States</i>	33
1.6 <i>Poor Single Mothers: What Problems Do They Face?</i>	39
1.7 <i>Absent Fathers: Why Don't We Ever Talk about the Unmarried Men?</i>	42
1.8 <i>Drugs, Gangs, and Illegal Activity: Crime and Poverty</i>	47
CHAPTER 2	
A Changing Economy	52
2.1 <i>The Death of "Trickle Down Economics": Why Economic Growth No Longer Reduces Poverty</i>	53
2.2 <i>Jobs: As Available (or as Unavailable) as Ever</i>	57
2.3 <i>One Step Forward, Two Steps Back: Fifteen Years of Falling Wages</i>	60
2.4 <i>Work Follows Wages: Changing Work Effort among the Poor</i>	68
2.5 <i>Cities Down/Suburbs Up: The Changing Geography of Jobs</i>	72
2.6 <i>Outside the Mainstream: The Underground Economy and the Poor</i>	75
2.7 <i>"Get A Job": How Far Out of Poverty Will It Take You?</i>	79
CHAPTER 3	
Changing Policy: America's Efforts to Provide a Social Safety Net	83
3.1 <i>New Directions for Policy</i>	89
3.2 <i>The Social Safety Net in Operation</i>	94
3.3 <i>Cash Assistance Programs</i>	98
3.4 <i>In-Kind Assistance Programs</i>	105
3.5 <i>Earnings Subsidy Programs</i>	110

3.6 <i>Job Search and Job Training Programs</i>	117
3.7 <i>Family-based Programs: Child Support Efforts</i>	121
3.8 <i>Targeting Youth: Educational Enrichment Efforts</i>	123
3.9 <i>Improving Neighborhoods: Economic Development Efforts</i>	127
CHAPTER 4	
What Do Antipoverty Programs Do?	133
4.1 <i>Do Cash Transfers Reduce Poverty?</i>	135
4.2 <i>What Effect Do Cash Transfers Have on Work and Fertility?</i>	145
4.3 <i>What About Welfare Dependence?</i>	151
4.4 <i>Management Matters: The Operating System of AFDC</i>	157
4.5 <i>Have In-Kind Programs Improved the Health and Nutrition of America's Poor?</i>	161
4.6 <i>Waste, Fraud, and Abuse: Are These Costs Too High?</i>	167
4.7 <i>Do Job Programs Encourage Work?</i>	173
4.8 <i>Youth Education and Training: Can We Prevent Problems?</i>	178
4.9 <i>Fighting Neighborhood Poverty: Do Economic Development Programs Improve Neighborhoods?</i>	184
CHAPTER 5	
Who Should Help the Poor?	191
5.1 <i>Why Should We Operate a Public Social Safety Net?</i>	192
5.2 <i>What Can We Expect from Private Charity?</i>	200
5.3 <i>States' Rights versus Federal Oversight: What Is the Appropriate Role for Each Level of Government?</i>	207
CHAPTER 6	
The Movement toward Targeted Programs	220
6.1 <i>Policy Lessons</i>	221
6.2 <i>Targeted Programs: Problems and Promises</i>	232
6.3 <i>Five "Effectiveness Criteria" for Targeted Programs</i>	238
CHAPTER 7	
Where Should We Go from Here?	252
7.1 <i>A Three-Tier System of Family Assistance</i>	254
7.2 <i>Supplementing Income and Making Work Pay: The EITC, Child Care Tax Credits, and Assured Child Support</i>	260
7.3 <i>Money Matters</i>	268
7.4 <i>Effective Job Placement and Training Programs</i>	274
7.5 <i>Helping Teens Prepare for the Future</i>	279
7.6 <i>Addressing the Problems of Urban Ghetto Neighborhoods</i>	284
CHAPTER 8	
Conclusions	290

NOTES

295

REFERENCES

311

INDEX

329

• *L I S T O F F I G U R E S* •

Figure 1.1	Composition of Poor and Nonpoor Persons in the United States, 1993, by Age, Race and Ethnicity, Family Type, and Educational Attainment	16
Figure 1.2	Poverty Rates by Race and Ethnicity, 1994, in Total and among Single-Mother Families	19
Figure 1.3	Poverty Rates among Children and the Elderly, 1966–1994	19
Figure 1.4	Extent of Poverty among Americans, 1979–1991	23
Figure 1.5	Extent of Poverty among White and Black Americans, 1979–1991	24
Figure 1.6	Reasons Why Poverty Spells Begin	26
Figure 1.7	Reasons Why Poverty Spells End	26
Figure 1.8	Composition of Poor Persons in the United States, by Geographic Location, 1970 and 1993	29
Figure 1.9	Percentage of Out-of-Wedlock Births, by Race and Age, 1959–1993	34
Figure 1.10	Victimization Rates for Crimes of Violence, Theft, and Household Burglary, 1975–1991	48
Figure 2.1	U.S. Poverty Rate versus Gross Domestic Product per Capita, 1960–1994	55
Figure 2.2	Unemployment Rates by Sex, 1966–1994	58
Figure 2.3	Unemployment Rates by Skill Level, 1994	59
Figure 2.4	Men's Average Weekly Wages, for Full-Time, Full-Year Workers, 1967–1993, by Educational Level, in 1993 Dollars	62
Figure 2.5	Percent Change in Men's Average Weekly Wages, for Full-Time, Full-Year Workers, 1979–1993	62
Figure 2.6	Women's Average Weekly Wages, for Full-Time, Full-Year Workers, 1967–1993, by Educational Level, in 1993 Dollars	63
Figure 2.7	Percent Change in Women's Average Weekly Wages, for Full-Time, Full-Year Workers, 1979–1993	63
Figure 2.8	Share of Adult Male Population at Work or Seeking Work, 1970 and 1993	69
Figure 2.9	Share of Adult Female Population at Work or Seeking Work, 1970 and 1993	70
Figure 2.10	Percentage of Workers Who Work Part-Time, 1968–1993	71
Figure 2.11	Estimated Size of Underground Economy as a Percentage of GNP (All Reported Economic Activity), 1958–1994	77

Figure 3.1	Government Spending on Social Programs as a Fraction of Outlays, 1965–1995	87
Figure 3.2	Composition of Federal (Fiscal 1995) and State (Fiscal 1992) Expenditures	88
Figure 3.3	Median State AFDC Benefits per Month, for a Family of Four, 1970–1994, in 1994 Dollars	101
Figure 3.4	AFDC Benefit Level Reduction with Increased Earnings	102
Figure 3.5	Median State AFDC and Food Stamp Benefits per Month, for a Family of Four, 1970–1994, in 1994 Dollars	107
Figure 3.6	Earned Income Tax Credit with Increased Earnings	112
Figure 3.7	Minimum Wage Levels, 1946–1994, in 1994 Dollars	115
Figure 4.1	Cross-Country Comparison of the Percentage of Individuals in Very Low Income Families	141
Figure 4.2	Poverty Rates versus Spending on AFDC and SSI, 1965–1993, in 1993 Dollars	143
Figure 4.3	Poverty Rates versus Unemployment Rates, 1964–1994	144
Figure 4.4	Cross-Country Comparison of Birthrates per 1,000 Women Aged 15–19 in 1987	150
Figure 4.5	Patterns of AFDC Use, Single Spells and Lifetime Spells	153
Figure 4.6	Overpayments as a Percentage of All Benefits Paid	170

• L I S T O F T A B L E S •

Table 1.1	Birthrates and Number of Births to Single and Married Women, 1960–1990	35
Table 1.2	Child Support Awards among Women with Children Whose Father Is Not Present in the Household, 1989	45
Table 2.1	Earnings Needed to Escape Poverty for Different Families	81
Table 3.1	Major Public Assistance Programs in the United States	86
Table 3.2	Effects of Combined Transfer Programs on Take-Home Income	96
Table 4.1	Poverty Rates and Poverty Gaps among Families in 1993, with and without Cash Public Assistance	139
Table 4.2	Poverty Rates and Poverty Gaps for Single-Mother Families in 1993, with and without Cash Public Assistance and Adjusting for Work Behavior Changes	147
Table 4.3	Administrative Costs in Public Assistance Programs	168
Table 4.4	Administrative Costs among Large National Charities	169
Table 5.1	Division of Responsibility within Public Assistance Programs	209
Table 7.1	Effect of Proposed Programs on Take-Home Income	267