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Poverty in the United States

Poverty in America is a result of many things, from low-paying jobs, high taxes, lack of opportunities, and also a lack of education and training. Poverty is determined in terms of both economic and social condition. Economic poverty involves a lack of the basics of life, such as food, clothing and shelter ("Poverty"). The poverty line as established by the United State government is based on the amount of money a person or household needs to pay for food. The poverty line in the USA is based on an annual pre-tax income of \$23,050 for a family of four, or \$11,170 for an individual (Soltas par. 12). Poverty in 1950 stood at about 22%, and declined as low as 11% in 1973, then rose to 15.2% in 1983, and declined again to 12.5% in 2007. However, the Great Recession began in 2008 and poverty reached 13.2 % and rose again to 15.9% in 2011 (US Census Bureau).

Low paying jobs in America play one of the major roles in poverty because the workers with the highest paying jobs are not poor, they get good educations, and some get involved in politics and dominate the jobs and high wages. On the other hand, most workers in the worst paying jobs are poor.



Fig. 1 NEW YORK, NY - SEPTEMBER 10: A homeless man sleeps under an American Flag blanket on a park bench on September 10, 2013 in the Brooklyn borough of New York City (Photo by Spencer Platt/Getty Images).

People who work in food services are paid only \$8.71 an hour or \$18,000 a year (Tahmincioglu par. 8). Most food-service jobs are part-time and demand minimal education. That is, only less educated people handle food and make so little money that it barely addresses daily family needs. Even people who work these jobs year after year cannot escape the cycle of poverty.



Fig. 2 Rufus Burnley carries a tray of grilled chicken in 2008 at Kentucky Fried Chicken in Indianapolis. (Photo by Darron Cummings / AP).

There are about half a million dishwasher workers in the United State who are paid only \$8.81 an hour (Tahmincioglu, par. 11). The state with the most dishwashers is Florida, with 42,000 and also the lowest paying wage at only \$8.62 an hour (Tahmincioglu par. 12). Nevada pays the highest at \$11.29 an hour. Cashiers make up the biggest occupation with a workforce of about 3.3 million in the business world, and another in retail. Cashiers are paid about \$9.15 an hour (Tahmincioglu par. 17). Hosts and hostesses are greeting customers and take reservations and are paid about \$9.23 an hour or \$19,000 a year. About 30,410 amusement park attendants are employed in Florida, and another 40,640 in California. They make about \$9.57 an hour in California, but in Florida they make only \$8.90 an hour. Even Disneyland's Mickey Mouse workers are not paid enough, and are paid below the national wage at \$9.35 an hour (Tahmincioglu par. 24)). Even though these are the most popular entertainment places in the United States and attract millions of tourists, workers are paid among the lowest wages in the country. Because these workers are poor and there are no other jobs available, policies which maintain low wages let workers remain poor for decades.



Fig. 3 a farm worker carries a bucket of picked tomatoes June 4 in Homestead, Fla. (Photo by Alan Diaz / AP).

Farm laboring is one of the most difficult jobs in America. Laborers carry buckets of tomatoes and fruits on their back. Most Americans do not want these jobs which pay only about \$9.51 an hour (Tahmincioglu par. 30). About 15,000 out of a total of 233,000 farm laboring jobs are in California. Most workers leave because of the excessively hard work and low wage (Tahmincioglu par. 30).

Even though the job rate grew in July 2013 by about 163,000 new jobs, it did not affect the unemployment rate (Schoen par. 3). In fact, the jobless rate in the same month jumped up one tenth of a point, to about 8.3%. This was the weakest job growth in decades, which led the former Reserve Chairman Ben Bernanke to describe the growth as “stuck in the mud.” The number of people who are working or looking for a job has dropped dramatically, and the share of men in the labor force is down by about 70%, the lowest level in more than six decades (Schoen, par. 8). What this seems to show is that even though there may be temporary improvements in the employment rate, the wages are insufficient and farmers cannot retain their laborers, who are better off on unemployment.



Fig. 4 Lack of Jobs is Due to Our Trade Deficit

August 05, 2013. (Photo by Peter Crawford).

Many businesses in the global economy have been moved abroad, meaning that many Americans are losing their jobs as their employers take their factories out of the country. In 2010

alone the US had a global trade deficit of \$478 billion (Moreland par. 2). The largest parts of this were oil imports, and the imports of goods formed the other part. This trade policy encouraged businesses to move to other countries and then to sell these goods back to this nation. Although people spend less money to buy these goods, on the other hand the country has lost many jobs. The white House estimates that for every \$1 billion in goods exported, the economy creates 5,000 jobs, and for every \$1 billion in goods imported, the economy loses 9,000 jobs (Moreland par. 3). Policy makers must take action by levying high taxes for those who are doing business outside the United State and selling back the goods. They must also pass legislation to protect our jobs.

Education plays a major role in changing poor people's lives. Is it possible for the poor to get a good education? Of course not. When we look at poverty by race in America in 2011, 35% of African Americans, 33% of Hispanic Americans, and single women also, fared worse than men ("Poverty"). And also in America age plays into poverty. Children under eighteen are more likely to live in poverty than adults. By 2010 children living in poverty numbered about 15.5 million ("Poverty"). Moreover, black and Hispanic children were more likely to live in poverty than white children, largely as a result of lacking education and a stable environment to grow up in. The elderly also have a lower poverty rate, standing at about 9% ("Poverty").

Today the healthcare opportunities available to the poor and rich seem totally different. In most cases, the middle- and high-income earners have more access to healthcare. The number of uninsured in America total about 44 million and the cost of healthcare continues to rise (Kirby). Income plays the greatest part in preventing the poor from having adequate healthcare insurance; also, living in an impoverished community seems to play a role in failing to access healthcare, simply because of the characteristic mindset of the communities in which the poor live. Residents from areas with a high rate of poverty and unemployment were less likely to have seen

a doctor in the previous year (Kirby). In some cases inequality was even more marked in poor communities, where people had no access to transportation or a means of getting to clinics, even though healthcare was being offered to them by churches and other charitable groups. On the other hand, median income was positively associated with the likelihood of getting breast and cervical cancer screenings (Kirby).

America is called a land of opportunity where everyone's dreams come true. That may have been so many years ago. Today America has less equality of opportunity than any other advanced industrial countries. Ninety percent of Americans believe the government should do everything it can to ensure equality of opportunity (Stiglitz, "Equal Opportunity"). For example, the young are paid less than others, and women are still paid less than men and the inequality gap between the rich and the poor is widening. Statistics for 2009-2010 show that 1% of US income earners captured 93% of income growth (Stiglitz, "What Land"). When looking at bankruptcy law, it is a privilege generally available to all, but it does not apply to student's debt. Also, banks lend money to the poor with high interest rate and implement abusive credit-card practices. Is that fair to someone who has worked for thirty years to pay off his home and then when he loses his job the bank forces him into foreclosure, and will not loan him money for losing his job, regardless of the fact that he will lose his home. These kinds of inequalities the government must fix to encourage the poor to have a home.

According to Soltas, after the Bush tax cut allowed individuals with the highest incomes and married persons earning more than \$398,350 to pay only 35%, this expired in 2012 (Soltas). President Barack Obama decided to raise the tax to 40%, but Congressional Republicans rejected the rate increase. A single mother earning \$18,000 a year before taxes and transfer payments will

pay a marginal tax of 88% (“The Working Poor”). Politicians always play a major role in blocking any high taxes going to the rich, because many of them are rich too.

One online source points out that immigrants to the United States also suffer from poverty at rates that are higher than the overall population. Indeed, about 18% of immigrants live in poverty (“Poverty”). This rate rises to 23% if the immigrants are not US citizens. Also, immigrants are less likely than native-born Americans to own homes or to hold high school diplomas (“Poverty”). Obstacles that immigrants face include language barriers, lack of skills, discrimination, and lack of access to some public services. Because of these challenges, many immigrants have difficulty overcoming poverty or preventing themselves from falling into it (“Poverty”).

Poverty in America is not going to change for decades. The poor get poor because of many obstacles. One of these is low paying jobs, where workers cannot earn enough to meet their daily needs. If 1% of US income earners dominate 93% of income growth, how are the poor to escape from poverty at home? Although governmental and other organizations help out with various benefits, the working poor are still unable to go beyond the poverty line. They remain in the same situation, decade after decade—poor, working, and paying taxes, and still in the same cycle. To solve these problems, US citizens must band together as communities and as one nation to provide each family with access to the basics for life, including food, healthcare and shelter—and must demand from the government lower taxes for the poor. The most important educational goal in the twenty-first century ought to be the abolition of poverty. The citizenry must demand that the government provide everyone in America with a good education, since it is only by means of education that poverty will be eliminated from our country.

Works Cited

Many Americans in the first decade of the 21st century found themselves unemployed or engaged in work that left them impoverished. The obvious research question when thinking about the topic of poverty in America might be framed as “Is there any way to fix the problem of poverty in America, the richest country in the world?” Researching eight sources suggested that poverty largely depends on access to healthcare and on where people lives (Kirby), that low-paying jobs plunge workers into a cycle of poverty (“Poverty”), and that in spite of many jobs moving abroad (Schoen), the American dream can still be salvaged (Stiglitz), but will take hard work and higher taxes for the rich, who will have to concede some of their privileges (“Soltas”). Until conservatives are willing to tax the rich, poverty in America seems likely to persist.

Kirby, James. “Poor People, Poor Places and Access to Healthcare in the United States.” *Social Forces* 87.1 (2008): 325-55. *Academic Search Premier*. Web. 29 Oct. 2013.

James Kirby is a professor of sociology at the University of North Carolina-Chapel Hill with a specialty in family and health. Kirby makes the argument that “millions of Americans do not have adequate access to medical care.” He clearly measures the effect of community poverty levels to access to healthcare, which largely depends on where people live. He explains the gap between poor- and middle- and high-income access to healthcare. He makes the statement that “the negative relationship between the prevalence of poverty in communities and access to healthcare is much stronger for middle- and higher-income individuals than for those in low-income groups.” He explains to his audience how the communities they live in affect their ability to have adequate healthcare. Government must solve transportation problems for the poor to get

access to healthcare, especially if it is far away from where they live. It is also important for government to fund clinics and to develop hospitals in rural areas.

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Joseph Stiglitz, author of *The Price of Inequality*, is a Nobel laureate in economics, a professor at Columbia University, and a former chairman of the Council of Economic Advisers and chief economist for the World Bank. Stiglitz describes inequality in America and explains to his audience that the top 1% of US income controls 93% of income growth, and also he makes the statement that in the United States "money trumps democracy." His argument clearly supports a change of direction in a country where the government seems to lobby with the rich against the poor. Low-paying jobs keep the poor working decade after decade for the rich without any possibility of changing their lifestyle. Government must stop any mix of politics with money lobbies that

negatively affect the lives of the working poor. Political debate must be based on the constitutional ideal of liberty and equality for all.

Tahmincioglu, Eve. "The Eight Lowest Paying Jobs in America: Fast Food Workers, Dishwashers, Cashiers Top the List." *Careers on NBC.com*. NBC. N.d. Web. 12 Nov. 2013.

Eve Tahmincioglu writes the weekly "Your Career" column for msnbc.com and chronicles workplace issues in her blog, CareerDiva.net. Tahmincioglu clearly argues about poverty in America and she makes the statement that the United States may replace the expression "the land of opportunity," with "the land of low wages." She explains to readers the unfairness surrounding the eight lowest paying jobs in America, and points out that the only people who want these jobs are the poor. Low-paying jobs are one of the greatest inequalities in America. The eight lowest paying jobs identified here condemn workers to a life of poverty, and to solve the problem, the government ought to demand higher wages for such jobs.

Poverty in America is a result of multiple factors, from inadequate healthcare to unemployment and low paying jobs that actually create a cycle of poverty. Politics in America can play a major role in defeating poverty. On the whole, the Democratic Party seems more likely to demand that the poor be provided with basic needs such as food, shelter, and healthcare. Conservative values make the Republican Party much more likely to block such benefits for the poor. To solve the problem of poverty in the United States, the poor must decide on Election Day who is more likely to take their side in solving their problems, and government needs to raise taxes for the rich, and to establish a livable wage that will end the cycle of poverty for the working poor. Real liberty and equality for all can end the cycle of poverty.