55. A Synopsis

of "Who Cares? Poverty and the Dynamics of Responsibility: An Outsider's Contribution to the American Debate on Poverty and Welfare" Contribution to National Conference of Public Justice and Welfare Reform, Washington DC May 19-20 1994

How can the persistence of poverty in the United States be explained? What is an effective way to respond to such poverty? These key and still puzzling questions were first raised in the 1960s and 1970s, as people became aware that persistent forms of poverty were growing, even during economic booms and despite changes in welfare policy. A similar kind of poverty, a "new poverty" amidst plenty, has been on the rise in Europe, too, since the beginning of the 1980s; there, too, it is unexpected, paradoxical, and resistant to all conventional measures.

What is the explanation? Were anti-poverty programs poorly implemented, perhaps because of political disputes or ideological prejudices? If so, then the political opponents must share some common but flawed assumptions or approaches. Or could it be that there was no truthful insight into the real origins of this slowly emerging new social catastrophe?

Both explanations help us understand the source of our impotence in the face of persistent poverty:

- (1) The views of economists and other social scientists have been accepted uncritically, leading not only to an undervaluation of the insights of poor people themselves, but also to a distortion of public opinion and government policies in the direction of a modern <u>mechanistic</u> perspective on society, leading to a deterministic misunderstanding of poverty;
- (2) The disputes between conservatives and liberals where structures are distorted by this underlying mechanistic consensus, which turned the attention of the public and of government away from the deeper causes of persistent poverty, causes rooted in the direction and structure of our society itself.

Exploring conclusion (1) further, we can see blind spots in analyses of the behavior of the poor. If we regard them, rightfully, as responsible subjects within particular contexts, we will not limit our attention to the presence or absence of work opportunities. We will take into account, too, an "external" motivation factor: the real nature of the social context of the poor, e.g., constant violence or poor transportation options. We will also pay attention to "internal" motivation issues, such as a person's unpreparedness or refusal to escape from dependency. Persistent poverty is typically found when people suffer both external and internal motivational problems while simultaneously having few social opportunities. But in these cases, the standard liberal and conservative remedies will be counterproductive. What is needed instead are multiple-purpose programs with a community-building dimension, in which the poor are full participants, and which encourage good functioning by institutions such as families, schools, churches, government agencies, labor unions, and businesses.

In the case of conclusions (2), we are drawn to the remarkable fact that in advanced societies, persistent poverty has been growing simultaneously with increases in the general standard of living. This occurs when wages in general are racheted up in response to productivity-driven wage gains in manufacturing. But services, including such vital public services as education and health care, cannot achieve equivalent productivity gains. The prices of such services are thus driven up, and these necessities become inaccessible to more and more people. What is required is a turn

to a responsible economy which aims not at income or productivity gains but rather at providing meaningful employment, care for the poor and powerless, and good stewardship of the environment. This is a challenge not just to government economic policy, but also to corporations and unions, to employers and employees.