

Left, Right or Ahead: Creating a New Domestic Policy Framework

Keynote Address by Dr. J. Larry Brown

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Ladies and Gentlemen:

Good morning. The usual politeness of a speaker saying he is pleased to join such an august assembly is augmented today by my true respect for this army of university and county professionals in the Cooperative Extension System, and all of you fellow-travelers in community-based CYFAR programs. The nation is better off because each morning you get out of bed determined to make the world a better place for high-risk families and children. As a citizen I salute you, your values, your commitment. Our nation is better because of you. But I also come with the audacity to implore you to do more, certainly to try to do some things differently so we have a better chance of progress in the next decade than we had in the last one. If we're going to "get there from here," we simply must go about things differently.

Today I am going to address the topic of poverty and growing inequality in our nation by taking you through the back door, to peek at its stepchildren. It is important to note that many of the issues you address are the stepchildren of poverty: substandard housing, poor health care, inadequate education and destructive personal behaviors. To look at the insidious nature of domestic poverty, I will introduce you to one stepchild, named hunger. Those of you who have heard me speak before know that I always bring with me a young boy named Danny Holley. Danny actually was a twelve year-old who

died in 1984, in the midst of a presidential campaign. He lived on an army base in California with his mother and siblings, while his father served overseas. The Holley family often didn't have enough to eat, and the children would go to bed hungry despite the mother's job and their best efforts. Danny often collected cans and bottles to help supplement his mother's income in order to pay for food, but still it wasn't enough. One afternoon, Ms. Holley came home from work to find that Danny had hanged himself. Beside his body was a note on the kitchen table that read: "Dear Mom, I love you, and hope that you won't be angry with me. But I figured that it would help a lot if there was one less mouth to feed."

This dramatic event was covered by the news media at the time... but neither Ronald Reagan nor Walter Mondale found it worthy of any mention in their presidential race. I vowed never to let Danny's death be forgotten so I mention him whenever I speak about hunger. He is my constant companion. While an unusual event, to be certain, Danny's death and the lack of interest by political leaders somehow reflects a nation that has lost its way. What a poignant statement about what has happened to the wealthiest nation that has ever existed: we allow children and adults to go hungry, even to die from it, and it simply is a fleeting news story. In fact, it is even worse today. So accustomed have we become to the *continuing existence* of hunger in America that it is now part of the national landscape. It no longer is an outrage, it is simply part of the "normal condition" in our wealthy democracy.

In fact, so "normal" has hunger become that our political leaders hardly pay any attention. None of them gets in trouble for ignoring it and, therefore, they have no motivation to do anything about it. Hunger simply "is there," like other social conditions that are known but largely ignored because there is no outcry to fix them.

But hunger is not just any other social problem; it is a threshold issue, one of the most fundamental threats to human existence. Hunger imperils life, health and cognitive function. People die from hunger. Hunger, in short, is both a threshold issue for human existence and a threshold moral issue for a society itself. It is all the more a moral issue for a nation that has the capacity, quite easily, to see that none of its people go hungry. Yet we do not do so, and our political leaders get off scot-free with ignoring this peril to millions of our families and children.

In America today, some 33 million of our citizens live in families that experience the pangs of hunger and food insecurity. They don't know where their next meal will come from, or have to cut back on the types and amount of food they need because they haven't the resources to buy what their children need to eat. This degree of hunger reflects our willingness to tolerate a large degree of poverty and inequality in the nation. Hunger, in other words, is the stepchild of poverty and lack of opportunity. Hunger and poverty operate in tandem: poverty rises and so does hunger; poverty drops and hunger drops too. But, and this is key, the year-to-year fluctuations in hunger and poverty are but statistical "factoids," because the real story is that the level of hunger in the United States has remained fairly constant for the past two decades. It is now part of who we are, an endemic condition.

Things were not always this way. In the 1960s, public revelations about hunger, widely covered by the news media, prompted a Republican President and a Democratic Congress to take action. The food stamp program was made into a national safety net. The school breakfast and summer food programs were instituted, as were the WIC program and elderly feeding programs. All these policy actions made a difference.

Physicians a decade later looked into the same regions where they had found widespread hunger before, and they reported that while poverty still existed, the poor had food to eat. The programs were working.

All of this changed in the early 1980s. During the very midst of a steep recession, the Reagan Administration proposed, and a Democratic Congress approved, sharp cutbacks in the very food programs that virtually had ended hunger. Some \$12 billion were cut from food stamps and child nutrition programs... and we have never recovered since. We have not recovered because more than funding was lost. A public trust was broken; our leaders walked away from a commitment not to permit hunger to stalk our nation. Hunger became another item of debate in the ideological struggle between Left and Right. It was now alright to be callous toward the hungry, as we saw when the Gingrich Congress, in its infamous "Contract with America," sought to cut child nutrition programs even further and to engage in unspeakable stunts like counting ketchup as a vegetable in the school lunch program as a way to give kids less to eat.

But it did not end there. Even as we speak the House has just passed a radical new provision as part of TANF reauthorization that would end food stamps as a national program. Through a so-called "super waiver" provision, every state in the nation could ignore existing federal law and adopt its own policies in ways that will eviscerate food stamps as a national safety net. Low-income working families in some states will go hungry, while their neighbors in other states will be able to feed their kids. This provision goes to the Senate in the next few weeks, and it has the strong support of the White House. (And while I will stop here, I ask that every one of you let your Senators know that you oppose the "super waiver" provision in TANF that would end the national

nutritional standards of the food stamp program... please make a note to do it as soon as you return home).

Two things have fundamentally changed the hunger landscape in America. Federal food and nutrition programs were cut, thereby producing a dramatic increase in hunger, and a public trust was broken. It has become safe for mean-spirited political leaders to ignore hunger, even to deride the hungry. And these two changes have led to two negative outcomes. The first was the development, between the early 1980s and today, of a huge charitable army of organizations to feed the hungry because government was no longer doing its job. We have moved from a nation that had come close to ending hunger, to one that today has more than 200 food banks serving all states in the nation. These banks, in turn, house and distribute food industry left-overs to more than 50,000 food pantries and soup kitchens in virtually every community in the nation. Starting out as an “emergency response” to the crisis precipitated by Washington leaders, this incredible network of charitable organizations has never stopped growing. And by definition, it no longer constitutes an emergency response. After twenty years, it has become a part of the hunger landscape. Some of you may think that this outcome is wonderful, but I will tell you why it is not a sign of success but of failure.

This gets us to the other negative outcome. The growth and visibility of this charitable network gave political leaders, already fractured in their consensus about ending hunger, a way out. They began to praise private charities as an answer to hunger, thereby taking themselves off the hook for doing so little to end it. The Republicans, many of whom don't like government anyway, saw private hunger charities as a way to remove government from insuring that our people do not go hungry. And some of the charities played into this trend, probably inadvertently, by holding

themselves out as the answer to a problem wherein government could not be trusted. And a narrow segment of the charities needed the hungry to exist so they could demonstrate their righteousness by feeding them. Feeding the hungry, in other words, became another way for them to earn salvation in the “hereafter.”

Many Democrats, on the other hand, also fell into the trap of praising private charities, perhaps reflecting their perceived ineptness and lack of courage to do anything better in the policy arena. Bill Clinton, a man certainly aware of hunger and poverty, and one who understood that they can be remedied only through public policy and a strong economy, never spoke about hunger. His closest effort was to discuss with his cabinet members how federal agency left-overs could be distributed to the hungry. And his chief hunger-fighter, Agriculture Secretary Dan Glickman, an otherwise most decent man, routinely praised charitable efforts and spoke of the “public-private partnership” needed to end hunger. Notably, this so-called partnership was characterized by noting the limits of what government could do, and the marvelous things private charities might do instead. These officials, and others in Congress, even touted the so-called virtues of “gleaning,” the Biblical practice of leaving pumpkins in fields for the poor to pick, not necessarily an easy task if you have no car, have young children, or you live in a city.

In short, the broken public trust to work bipartisanly to end hunger resulted in this enormous charitable network, because people had to be fed. But the very existence of this charitable outpouring then became the rationale for government not to do its job. The ultimate responsibility of government – the only certain way to end hunger in a nation – was tossed out the window, and private charity then became the excuse for government’s abdication of responsibility.

Now, some of you may say that you understand what happened, but still ask what is so bad about feeding people through food pantries and soup kitchens? The answer is that in the short-term, nothing is bad about it. People are hungry, government is not doing its job, so these programs and the well-meaning people behind them simply must feed people. People don't eat in the long-run, they need to eat now, so thank god these programs are there! But when it comes to actually *ending* hunger, it is a different thing. Charitable hand-outs, by definition, do not end hunger. They only feed a hungry family for the moment, and poor people have the peculiar habit of getting hungry again the next day.

There are two reasons that no modern, wealthy democracy should protect the nutritional status of its people by relying on charitable hand-outs. The first has to do with capacity, and the other with appropriateness. In terms of capacity, the only vehicle we have that is large enough to end and prevent hunger is the federal government. Two decades of charitable efforts don't even begin to come close to the reach of the food stamp program, even in its weakened state, in terms of delivering nutrient content to the plates of parents and children. When the food stamp program was cut most recently, during the so-called welfare reform legislation of 1996, so much purchasing power was removed from poor households that if you loaded the lost food on trucks in army-convoy style (eight trucks to a mile with 5,000 pounds of food on each truck) the line would stretch to the moon and back. Even if the private sector could have doubled its food collection efforts overnight, it wouldn't even begin to make up for the cutback in this one federal program alone. In short, private charity isn't capable of doing what government can do to address hunger. It isn't even close. To paraphrase William H. Woodside, former chairman of Primerica, it is government's job to address hunger; it cannot be done by the private sector and it should not be done by the private sector.

Woodside's comment raises the next issue, that of appropriateness. Even if we could feed the hungry through soup kitchens and food pantries, it would be wrong. People need justice, not charity. They need dignity, not hand-outs. Our vision and our goal should not be a nation where more and more people eat the soup and sandwiches that charities pass out, but one whose people do not need charity. Even when given with sensitivity, there is something about receiving charity that is demeaning. None of us would want to take our family to eat in a soup kitchen; parents do not want to take their children out of the home to have others feed them. While they may be happy for the food for the moment, the very process is belittling. Instead of supporting this charitable feeding frenzy, we need to step back to ask what is going on here: what are the costs and what are the consequences.

Charity is not the social embodiment of love. Love binds, charity distances. Love promotes strength, charity promotes dependence. Love personalizes, charity stigmatizes. No matter how well meant the effort, no matter how cozy the environment, no matter what's in the bag of food, it is an indignity for an adult to be reduced to relying on others to feed her children. It is the essence of adulthood, of dignity and self-respect, that we feed our families. Anything else is an indignity. Period.

So charity is not the answer. The incredible efforts of the charitable sector are not a sign of collective success, but a symbol of public failure. And the very existence of the charitable enterprise has corrupted politics. It has turned public officials from justice fighters into timid pacifists. Political leaders have become the cheerleaders for charity, and charity has become the public pabulum that excuses their inaction. The ultimate recipients of this "sweet charity", as my colleague Jan Poppendieck termed it in her

recent book by the same name, are not the hungry themselves so much as the political leaders whose lack of leadership it masks. Private charities to feed the hungry reflect the failure of American policymakers to do their jobs. They represent the failure to bring us into the sisterhood of modern industrial nations that long ago adopted policies to protect their people from the man-made scourge of hunger.

Now, remember that I have introduced you to but one stepchild of poverty as a way to examine how insidious it is, and to underscore how often our treatment of its stepchildren is inadequate. I could have introduced other of its offspring: poor health care and no medical insurance, substandard housing with lead-infested paint that impairs the minds of young children, schools that fail to educate and colleges that remain beyond the reach of many with strong minds but limited incomes. Or add your own examples, for there are many negative outcomes in our society that correlate with poverty.

So what are we to do? Clearly no one could argue that the work that each of you do should be discontinued. It is too important; families depend on it. But maybe all of us can unite to adopt a different orientation to the way we look at poverty and its outcomes. Instead of seeing this world almost exclusively through the lens of the poverty stepchildren we tend to – hunger, housing, education, and so on – we can be more aware that each of them all have a common origin. They all are related: when we see one we really are looking at an issue that probably cannot be addressed or rectified without addressing the root cause. Also, we can begin to understand that charity is not the answer. This does not mean that charity is wrong, it simply is charity. It works for the moment, but it is not the answer. And I challenge you to think of charity not only as a cup of soup or a sandwich, but also the services that are required because of the damage

that poverty causes: the tutoring a child needs because of poor schools, the shelter a family needs because they haven't enough money for rent, the counseling that is needed because of a poor education and an unhealthy lifestyle. Again, one cannot suggest that these things be discontinued, because they are needed; they help vulnerable people when they are down. But these services are a form of charity; they are needed but they do not address the underlying problem.

So what are we to do about poverty, the wicked stepparent of all these children? There is a different approach we can take. There is a different policy framework that can be adopted as domestic policy for the United States. And while no one framework will be a magic bullet that somehow makes everything suddenly all right, it can reduce poverty significantly and, thereby, also reduce many of the problems you address on a day-to-day basis. This new framework already has a name, asset development policy. The core idea is that federal policies should invest in the capacities of low-income households just like they invest in the rest of us. In other words, poor people should be viewed as investments to help build a stronger nation. They should not be seen as somehow different from the rest of us, but as families and children in whose capacities and independence we invest so that they can become productive and self-sustaining.

If getting federal benefits makes one a welfare recipient, then every one in this room is on welfare. All of us get key benefits from the government: pre-tax retirement accounts, home mortgage deductions, subsidized college loans and group health care. We don't think of it as welfare however, because these are things that help us live better and become self-sufficient. It helps us to achieve and maintain a middle class lifestyle. We see it as an entitlement, part of the policy landscape – everyone gets it.

But the problem is that everyone doesn't get it! Low-income households are left out of this benefit structure. Government policy encourages us to acquire more and more savings through 401(k)s and Roth IRAs, but the poor are penalized for trying to save. If a poor working family has to apply for food stamps, even if they have no food and no money at the time, they cannot get food stamps if the value of their car is over \$5,000, or if they have more than a certain amount in savings. In short, what is virtuous for the rest of us is a crime for the poor. What we get is seen as an investment, what they get is seen as welfare. We play in the system, they have to live outside it. Worse yet, government policies penalize them even for trying.

The irony is that asset-based federal policies literally built the middle class in America. Aside from the current examples that I have mentioned, their history goes way back to the Homestead Act that gave families land, and the G.I. Bill that educated a generation of veterans. All of these things the federal government did, and they worked. Government largesse – government investments – made us a largely middle class and prosperous nation. The challenge now is to alter the benefits structure so that those left out also can play. What would this look like?

Assets are resources and capacities that enable us to achieve social mobility and economic security. We all know examples of collective assets, things that benefit us all such as highways, railroads and public schools. But it is in the arena of personal or household assets that we can alter the landscape of poverty in America. There are three kinds of individual assets: income, financial assets or savings, and human capital. We all know what income is and I'll return to it momentarily. Financial assets mean wealth-building, a bank account, savings for a first home or college, and retirement plans to sustain us in old age. Human capital means the education we receive, whether college

and beyond, or technical training that gives us the skills and capacities to be self-sufficient. All people, every family, needs these three kinds of assets. Having them is not a guarantee against the vicissitudes of life, but it does mean that when faced with difficulty we are more likely to bounce back. Having them gives us some modicum of self-sufficiency and security; not having them is almost certain failure.

What would a domestic policy framework based on asset-building policy look like? First of all, it would mean that governmental policy would treat all households as targets of investment, rather than some of us as contributors and others of us as drainers. It also would mean that we could move away from the two-tiered system where we use the tax system to confer benefits to some of us and the welfare system to confer benefits to others of us. In short, government benefits would go to everyone, and they would be seen as asset-building investments.

Low-income households could be brought into the financial asset-building arena in a number of ways. These could include tax-favored savings accounts with refundable tax credits to match individual contributions made by low-income families. The government could make it easier for small businesses to offer pension plans. Individual retirement accounts could be matched by the government or employers. And other ideas, like a national KidSave could be adopted, a savings account of \$1,000 established for every child at birth and \$500 annually for the first five years to be used for specified purposes like college, a first home or retirement.

In the area of income, low-income workers need what the rest of us have, sufficient remuneration for their efforts so that they can raise their families out poverty. No family that plays by the rules should earn too little to get out of poverty; it's simply not

fair. In this spirit, we could raise the minimum wage and index it to inflation to insure that it at least keeps the working poor out of poverty. We could broaden the (Earned Income Tax Credit (EITC) and better integrate it with the current tax structure to reward work. And we could modernize the unemployment compensation system to reflect the nature of the changed economy like the kind of jobs, their duration and stability.

The idea of a new domestic policy framework based on asset-building provides an historic opportunity to address poverty and growing inequality, while also speaking to the shared values of opportunity, fairness, self-reliance and reward. It has the potential to minimize traditional divisions based on race, class and gender, because it speaks to the common needs of all individuals and families. Because of its appeal to shared values it offers a true solution to poverty, a landmark change that can impact our society itself and even our moral authority in the world.

As you return home from this conference, I hope that each of you will become a student of asset-based public policy. Learn the potential that it holds for America, and become an expert in at least one aspect of its promise. This way, each of you can become an advocate for a new national policy framework that can do more than any one single thing to reduce the problems that everyone here collectively addresses each day. We have a once-of-a-lifetime opportunity to alter the policy landscape of our nation and all of us can be a part of this historic process.

And please do not forget to write to both of your United States senators to say that you oppose the super waiver provision of TANF, that would end the national benefits system of food stamps. This is something you can do today that will make a big difference for the disenfranchised of our country.

Thank you very much.