As you will read in the pages that follow, poverty remains a stubborn and troubling problem in Oregon.

In spite of a healthy economy and low unemployment, the state’s poverty rate in 1998 was slightly above 13 percent. That means more than 400,000 Oregonians had incomes below the federal poverty line of $16,700 for a family of four.

"Most of Oregon’s poor are struggling in plain sight behind cash registers and restaurant counters," writes Theresa Novak on page 10. "Many are single mothers with children. Many are elderly widows."

Twenty percent of children under age five in Oregon—that’s one out of every five—live in poverty.

This publication, produced by the Oregon State University Extension Service, explores the story behind these statistics. It strives to be brief and easy to understand. And it brings together a wide range of information and perspectives. Here’s what you’ll find inside:

We begin with several stories that provide background about what it means to be poor. These are followed by articles that discuss various causes of poverty.

Beginning on page 10 are articles that present the demographics of the poor in Oregon from the viewpoints of gender, age, geography, disability, and minority status. These are followed by a series of discussions about government, non-profit and private agencies and organizations that assist Oregonians in poverty.

In the final pages are stories that look to the future—the trends that are likely to influence public policy and some promising new programs to reduce poverty. The last article gives suggestions for ways that you can get involved in addressing the problems of poverty.

In addition to its commitments to teaching, research and outreach, Oregon State University has a responsibility to shed light on significant public issues facing the state. We hope this publication, produced in cooperation with the Governor’s Office, promotes constructive discussion among the citizens of the state and we hope it helps Oregonians address poverty issues more effectively as we begin a new century.

Paul Risser
President, Oregon State University

Lyla Houglum
Dean and Director, OSU Extension Service
WHAT IT MEANS TO BE POOR

“I’ve been broke, but I’ve never been impoverished. There’s a difference. When you’re impoverished you have no hope.”

Ken Kesey, author, Pleasant Hill, Oregon

Oregon’s unseen poor

Homeless are most visible, but far outnumbered by working poor

Andy Duncan

The light turns red and you stop eye-to-eye with a middle-aged woman holding a handwritten sign that says, “I’m hungry. Please help me.”

An elderly man pushing a shopping cart filled with what appears to be all his belongings approaches you outside a grocery store and asks if you can spare any change.

And how about this: Hurrying to work on a cold, drizzly morning, you whip into the parking lot of a Dari-Mart to grab a cup of coffee. There’s a rusty station wagon that looks like it escaped from a junkyard. The back seats are folded down. There are kids in there, four of them in ragged pajamas. The oldest doesn’t appear to be more than seven. They’re on a bed of dirty blankets, towels and sleeping bags. This is their home, you realize, as a woman coming out of the Dari-Mart with a carton of milk and a couple of fruit pie snacks heads for the station wagon. This mother and her four children are living in an old Buick in the dead of winter. These situations might make us uncomfortable. They might trigger panicky thoughts: What should I do? Why can’t the adults get a job? How’d they get to this point? However, one thing is certain. These are not uncommon occurrences in Oregon as a new century, and millennium, spread before us.

But guess what: Though homelessness may be the most visible face of poverty in the state, it’s not the most abundant one. It’s not even close. Of more than 400,000 poor people, an estimated 7,000 to 10,000 are homeless. The fastest-growing type of poverty in Oregon is the phenomenon sometimes called “the working poor.”

Some lay the phenomenon of the working poor at the doorstep of economic changes—specifically, the decline in high-paying production jobs in natural resource industries, such as timber, and an increase in low-paying jobs in the expanding service sector of the economy. Others trying to explain why an increasing number of working Oregonians are poor point to the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996, sometimes referred to simply as welfare reform. The act requires that people receiving aid through the federal-state program many of us think of as “welfare” (Temporary Assistance to Needy Families, or TANF for short) look for work.

Admirers of the welfare reform act note that the number of people on welfare is shrinking and say finding employment, even a low-paying job, is apt to fuel an upward spiral where a person who’s been living in poverty gains confidence and skills that make the future brighter. They also say that only about 25 percent of the poor people in Oregon received assistance through TANF at its peak, so a sweeping indictment of welfare reform as the cause of the working poor phenomenon is misleading.

But critics say welfare reform is permanently increasing the number of working poor by pushing people into dead-end jobs without adequately addressing why they were unemployed and on welfare.

“Just because people are off welfare doesn’t mean they’re out of poverty,” says Chuck Sheketoff, director of the Oregon Center for Public Policy in Silverton, which conducts poverty-related research.

continued on page 3
According to an article by Kate Taylor in the Portland Oregonian, based on data from the Oregon Department of Human Services, Oregonians leaving welfare for work make an average of $7.35 an hour, work 35 hours a week and still receive some benefits from the state, such as food stamps.

The article asserts that several people on welfare who get even minimum-wage jobs have more money to spend than they did on welfare, families often remain poor, and welfare reform is working.

But Neely agrees that "for many, especially those with child care needs, raises from $7.35 an hour to $10 or $12 per hour cannot actually result in reduced spending money because of reduced public benefits." Another type of poverty in Oregon is the situation confronting families who don't have a job and receive support through TANF.

Remarriage and training help single mom escape poverty

Sharon Thornberry remembers feeling desperate, worthless

Andy Duncan

"My husband was a Vietnam vet," says Sharon Thornberry of Philomath, Ore., explaining how she and her two children ended up homeless 10 years ago.

"He was in the Marine Corps for 13 years before he got out," she says. "He soon found he didn't fit in the outside world anymore either and left Houston. I'd been a month. We were living on a friend's farm. We had kids aged two and five, a daughter and a son."

Thornberry recalls her feelings: Desperation, Failure, Worthlessness. "You're a mother," she says. "You're supposed to take care of your kids. I felt betrayed by my husband. He wasn't supposed to leave and have a new life."

In July, she remarried, taking on added responsibility for her children. "My life is so much better now," she says.

It took the resources of two people to come out of it. Eventually Thornberry and her second husband moved to Oregon. "I was determined I was going to change jobs and get one I could grow in," she says. She worked in a paper mill but was injured and, finally, fired. She entered a job training program offered by Community Services Consortium, an organization that evolved from the community action agencies of the 1960s War on Poverty.

"I grew up in leadership roles in 4-H. I knew what I could do," she says. "But they (the training program instructors) helped me develop a resume that documented my skills and experience from the previous 20 years, including a lot of work I did as a military spouse organizing volunteers," she says.

With the resume, Thornberry got a position as a VISTA (Volunteers in Service to America) volunteer organizing a food gleaning program. As she gained experience, Community Services Consortium hired her to work with an energy assistance and firewood gleaning program. Then she became the coordinator of volunteers for the consortium's firewood gleaning program.

Today, Sharon Thornberry is statewide gleaning coordinator for the Oregon Food Bank, which distributes food to a network of 20 regional hunger relief organizations that supply food to hundreds of smaller groups. She coordinates Oregon working with about three dozen gleaning groups that collect and package donated food from farmers' fields and food processing companies.

She says she never again has to face the kind of poverty she and her children did in Texas.

"I think things are a whole lot worse today," she says. "When you send your child off to school, you'd better be ready to write a very big check (for activities that used to be free). What if you're unemployed or making minimum wage? It's harder for low-income kids to be in organizations that give them skills and confidence and a sense of worth."

Whether people will admit it or not, some, including single parents who require public assistance, have drug or alcohol problems, because of illness, accident or economic stress. Many, especially those with child care needs, struggle to make ends meet and have reduced spending money, through child support, or welfare assistance from a private organization. They also may receive some public assistance for childcare. Still, like many Oregonians, she's much happier than she used to be. She says, "I feel an incredible sense of pride in caring for my children and find work while working with welfare eligibility issues and processing requirements."

And what about our most visible kind of poverty? Why are 7,000 to 10,000 people in Oregon homeless?

Housing is expensive and when you can't afford a house, you're homeless. Some are homeless even though they receive food stamps or assistance and have drug or alcohol problems. Maybe food stamps, a welfare check, or some other benefit reduced spending money because of illness, accident or economic stress. Some have drug or alcohol problems or mental illness and don't know how to connect with public and private organizations that might help.

Some homeless people are parents through circumstances. Consider the case of a man, woman and two small children seen hiding from a freeway overpass ramp at Grants Pass. The young father, Richard, was a carpenter. The family had gone to Alaska so he could find a construction job. It didn't work out. They were broke and trying to get back to New Mexico.

Most welfare benefits are for families with dependent children, so homelessness is single people. But a significant number of people, including single parents who receive public assistance, are single and have a relationship and aren't yet receiving public assistance. Some are working and young adults fleeing from abusive family situations.

Children, on the other hand, are on welfare. The homeless. These faces of poverty are not the bloated bellies, killing kind we see on television programs about other countries. In Oregon, we're more likely to see stories about: 

- A single parent trapped between earning money to pay the bills and having time to care for his or her children. He or she may need to work long hours, sometimes requiring care for his or her children in the evening, and may have to work two jobs to make ends meet and make ends meet. He or she may need to work two jobs to make ends meet. He or she may need to work two jobs to make ends meet.

- A single mother with two children living in a mobile home. She works regular hours and a part-time job. She wants to finish her high school education.

- A single mother with two children living under bridges and in forest camps. When they look at the poverty issue, some Oregonians see our robust economy, relatively low unemployment, and welfare reform, with its emphasis on moving people off public assistance and into the workforce, as extremely positive developments. Others see the conditions in Oregon and are troubled because of perceived suffering today and what is known about links between poverty at an early age and health problems, educational success and violence in adulthood.

- A single man living in a car.

- Young adults on the street.

- Single men and women living under bridges and in forest camps.

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- A single mother with two children living under bridges and in forest camps. When they look at the poverty issue, some Oregonians see our robust economy, relatively low unemployment, and welfare reform, with its emphasis on moving people off public assistance and into the workforce, as extremely positive developments. Others see the conditions in Oregon and are troubled because of perceived suffering today and what is known about links between poverty at an early age and health problems, educational success and violence in adulthood.
I am a 49-year-old father of three, Vietnam-era U.S. Navy veteran. Raising a small, old-fashioned extended family in the Deep South, I was brought up with a strong work ethic. I have worked for my living since the age of twelve, graduated high school and have two years of college. I have lived in Oregon for over twenty years.

In late 1992, the onset of a disabling leg condition prevented me from continuing my career as a pre-press technician in the printing industry. Coupled with stresses I had carried since the Vietnam years, I hit a wall of sorts. I had recently enacted legislation that I had simply loved all my life and saw no way out short of a miracle. Although my situation was dire enough, I think what bothered me most was seeing so many others who had lived through similar situations without a bed, bathroom, cooking facilities, and forbidden by authorities to protect themselves from the elements or even sit down and rest. I have witnessed far too many instances of people walking around in the rain all night; some wrapped in a wet blanket for protection, some with a raincoat or umbrella, some with no protection at all. I have seen people banging their heads against telephone poles as a way to look for a distraction from their misfortune, and some just walking around and in tiny circles mumbling to themselves. Another third of the most visible "on the street" sort have drug or alcohol dependencies. Like the mentally ill, many are caught in an expensive housing market. They are therefore unable to increase their incomes and have been priced out of the housing market, sometimes due to the cost of medicines needed for their health; older single males estranged from families or with no families; an increasing number of females, those with few skills, poorly educated, or simply disadvantaged by nature. Most are caught in an economic situation where they simply are not competitive in the job market and therefore are unable to consistently maintain housing in an increasingly expensive housing market.

Larger in number, another segment of the "homeless" are called the "hidden homeless." The "hidden homeless" are those doubled up with friends, family, or otherwise comfortably out of sight. Today I am not so comfortable with that conclusion. I am confronted by more and more families, even entire children on the street with no place to stay and a far cry from having

Continued on page 5
Official government poverty line shows signs of old age

Tom Gentle

Poverty is generally defined in terms of things a person needs to meet basic needs for food, clothing, shelter, and transportation. But the notion of how much one needs is relative, as it varies with income and across the world. In the United States, you're poor if your yearly income falls below the amount defined by the federal government as the official poverty line. See chart of 1999 Federal Poverty Guidelines on this page.

The income required to satisfy basic needs is defined by a society's concept of a minimum standard of living. During times of great technological innovation, communities may introduce new standards of living changing rapidly, according to Gordon Fisher, professor of social work at the U.S. Department of Health and Human Services. So what he means, he says, introduces new consumption patterns which may buy these items, but eventually "things originally valued for their functional use are seen as conveniences and then as necessities," Fisher said. When the number of poor households increases, a car, a washing machine and dryer, a microwave oven and color television set in the middle class. Some would say it shows the poor don't really have it so bad. Others would argue that these things are now necessary for a minimum standard of living. Although poverty standards in the United States trace back to the 19th century, the current official U.S. poverty line was adopted in 1960 and is heavily influenced by the standard of living that prevailed in the 1950s.

### Homelessness

Homelessness continued from page 4

The official poverty line originated in the Social Security Administration where Mollie Orshansky, an economist, developed poverty thresholds, or the cost of living, for different sizes of families. She based these thresholds on an "efficient family," first developed by the U.S. Department of Agriculture for poor rural farmers. Using 1963 as the base year, Orshansky calculated that a family of two adults and two children spent about $1,033 for food. To estimate how much money this family spent for housing, clothing, transportation and other basic needs, she turned to the most recent study available, the 1955 USDA survey which found typical families spent one-third of their after-tax income on these basics.

To multiply the cost of the USDA food plan ($1,033) by three to arrive at $3,100 as the minimum yearly income for a family of four needed to get by. This became the poverty line for a family of four. Any family whose annual income below $3,100, or less than three times the cost of food, was defined by the federal government as poor.

The guidelines are updated each year to take inflation into account. So the 1999 guideline of $16,700 for a family of four is intended to represent the same purchasing power as the 1963 family budget.

Although Orshansky's poverty guidelines were not intended to be an official government measurement of poverty, they became the official status throughout the federal government in 1969. At that time, Social Security administrators and others estimated that the guidelines would be adequate for five to ten years at most before they would need to be revised to reflect changing prices, standards of living, and family spending. However, although a few changes have been made, they remain largely intact.

As a result, the guidelines have been the target of serious criticism:

- The guidelines are updated each year to take inflation into account for changing household consumption patterns.
- Families no longer spend one-third of their income on food and other basics.
- Although some social scientists estimate that a new poverty formula would raise the poverty income level for a family of four from the current $16,700 to between $21,000 and $25,000, it will not be clear how the guidelines are affected until new changes are put in place.

### 1999 Federal Poverty Guidelines

<table>
<thead>
<tr>
<th>Size of Family</th>
<th>Income of 48 Contiguous United States and D.C.</th>
<th>Household Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>$ 8,240</td>
<td>$3,96</td>
</tr>
<tr>
<td>2</td>
<td>$11,060</td>
<td>$5,32</td>
</tr>
<tr>
<td>3</td>
<td>$13,880</td>
<td>$6,67</td>
</tr>
<tr>
<td>4</td>
<td>$16,700</td>
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<tr>
<td>5</td>
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<tr>
<td>7</td>
<td>$25,160</td>
<td>$12,10</td>
</tr>
<tr>
<td>8</td>
<td>$27,980</td>
<td>$13,45</td>
</tr>
</tbody>
</table>

For each additional person, add $2,820. $3,36

*A assumes a full-time job for a full year (2,080 hours). Source: Oregon Center for Public Policy, 1995,*

### Technical Notes

Technically, there are two slightly different versions of the federal poverty measure, "threshold" and "guideline" income.

- Poverty thresholds come from the U.S. Census Bureau and are used to calculate the number of people in poverty. As we are told that more than 400,000 Oregonians are poor, this figure is used on official poverty thresholds.
- Poverty guidelines come from the U.S. Department of Health and Human Services and are used to determine eligibility for cash assistance programs.

When people talk about the "federal poverty level," or "federal poverty line," they are referring to thresholds or guidelines. Except in situations where precision is necessary, such as administrative or legislative activities, the difference between them is of little consequence.

**Oregon State University Extension Service** 5
WHAT CAUSES POVERTY?

"We cannot close our eyes to our neighbors' needs because we all face times when we need to lean on someone else."

Senator Mark Hatfield

When asked why many people appear to be worse off in a booming economy, a number of people who work for agencies that serve the poor throughout the state pointed to four major changes in the economy, high housing prices, lack of public transportation and inadequately funded education.

Oregon's changing economy

"In southern Oregon, a lot of kids used to get decent paying jobs in the timber industry right out of high school. As the timber jobs declined, the new jobs required higher skills and advanced degrees. A lot of people simply got left behind," said Marty Young, former executive director of the Umpqua Community Action Network.

Report

According to a report by the Oregon Employment Department. Declining timber sales and mill closures caused many job losers — as the supply of old growth dwindled on the south coast, for instance, Coos Bay lost six of its seven sawmills. In addition, according to the Employment Department report, automation eliminated a significant number of sawmill jobs. The report noted that modernized mills have been able to cut employment by half or more and actually increases production. The new jobs created by the high tech industry are largely concentrated in the Portland area. In the rest of the state, especially the rural areas, the new jobs are primarily in the service sector — loosely defined to include retail sales, clerical and administrative positions, food service jobs and medical services, among others.

In Coos County, where timber was king, the largest employer today is the Bay Area Hospital. Tourism, which has become an important part of Oregon's economy, is primarily a service industry offering seasonal and part-time jobs.

In rural areas where tourism is a major part of the economy, the connection between poverty and service industry employment is especially strong. The main problem is that service industry jobs simply don't pay enough, according to Sharon Miller, executive director of the Central Oregon Community Action Agency Network in Redmond. She cited an Oregon Career Network study of job placements by her agency and others that found only 12 percent of retail sales positions paid enough after two years on the job to lift a family of four out of poverty. In other service jobs, only 23 percent paid above the poverty level for a family of four.

One factor in the low wages associated with service industry jobs has been the failure of the federal minimum wage to keep up with inflation, according to Laura Connolly, OSLI economist.

"In the 1970s, a full-time worker earning the federal minimum wage made enough money to keep a family of three out of poverty. That same family would be poor today," Connolly said. (See "Minimum wage fails to keep up,", page 9.)

The rising cost of housing

Oregon has one of the highest rates of existing home price appreciation in the United States, according to a 1997 report by the Oregon Employment Department. While wages barely kept up with inflation, home prices jumped 83 percent between 1980 and 1997.

According to a widely used standard of personal finance, people should spend no more than 30 percent of their gross income for rent or house payments. Nearly 40 percent of Oregon's lowest income homeowners spend more than 30 percent on housing, according to the 1999 Oregon Benchmark Performance Report.

Rents have gone up, too. Fair market rent for a 2-bedroom unit ranges from $477 a month in many counties east of the Cascades to $645 a month in Multnomah and surrounding counties, according to a report by the National Low Income Housing Coalition. The report concludes that 45 percent of workers earning the minimum wage must spend more than 30 percent of their income to live in a 2-bedroom unit at fair market rent.

An influx of new residents is one factor in the higher cost of housing. Pendleton and Hermiston have attracted a number of new employers in recent years, bringing job-seekers and creating demand for housing and driving up land values.

"Ten years ago this was an inexpensive place to live, but that's not the case now," said Denny Newell, director of the Community Action Program of East Central Oregon.

The Oregon Department of Transportation is one factor in the higher cost of housing. Pendleton and Hermiston have attracted a number of new employers in recent years, bringing job-seekers and creating demand for housing and driving up land values. "Ten years ago this was an inexpensive place to live, but that's not the case now," said Denny Newell, director of the Community Action Program of East Central Oregon.

The National Low Income Housing Coalition found that full-time workers needed an hourly wage of $7.08 to afford a 3-bedroom apartment in Multnomah County, $9.17 an hour for a 2-bedroom unit.

Lack of public transportation

Public transportation for the poor isn't about airports or Amtrak. Rather, it's about getting around locally — from home to work, to shopping, to school, to medical and other services.
Lack of education and work experience

Jerald Ness, executive director of the Washington County Community Action Organization, points to an "education and skill gap" that prevents people who need work from getting jobs that pay a living wage.

"We have plenty of entry level jobs in high tech in Washington County, but companies recruit outside the state because the people here we need need additional training to get the required skills," Ness said.

Hers is a refrain heard around the state. The lack of appropriate education and experience is a major obstacle that keeps many from obtaining the skills needed to get into better jobs.

Why are some people unable to earn a living?

Tom Gerde

How do you explain why some people are unable to earn enough money to live at a "reasonably decent level? Social scientists, social workers and others have offered a number of explanations.

1. Explanations that focus on the personal values, attitudes, and behaviors of the poor themselves.
2. Explanations that point to larger societal or institutional causes that result in poverty.
3. Explanations that blame government and the welfare system itself.

Blaming the individual

According to this point of view, the causes of poverty are found in the shortcomings of the poor themselves. Perhaps the most common explanation of poverty focuses on what has been called the "flawed character" view of poverty. Causes of poverty are attributed to the flawed character of the poor range from loose morals, drunkenness and drug addiction to physical or mental illness, laziness and lack of intelligence.

Another explanation points to a culture of poverty stressing the poor that passes from one generation to the next. Raised in isolation from the mainstream culture, the poor fail to develop the values associated with work—discipline, responsibility, resourcefulness.

Another explanation involves what social scientists call "human capital." Human capital is the investment we make in ourselves. Music lessons, college education, the flip-flop job that leads to a "real" job in the eyes of the employer are human capital investments. Failure to pay the proper price for this capital can prevent the poor from getting jobs that pay a living wage and are either unable or unwilling to make the necessary self-improvement.

The strong value American culture places on individualism and self-reliance give these explanations wide appeal. Not surprisingly, public opinion polls consistently show a majority of Americans believe the poor bear most of the responsibility for their own impoverishment.

Critics of these explanations point out that many of the poor simply don't fit the description. For example, a large percentage of the poor in Oregon are single- and two-parent working families, many of them with full-time jobs. Yet the evidence that poverty tends to be a temporary condition with nearly 60 percent of the poor moving out of poverty within a year.

Blaming the economic and social systems

Explanations that point to societal or institutional causes of poverty portray the societal vicissitudes of economic or social forces beyond their control. Economic explanations describe the poor as casualties of capitalism and the free market economy. The growing disparity of this explanation points to the widening gap between the haves and have-nots, the increasing number of the poor in the grip of an inhuman government and the failure of the economic system to provide jobs that pay a living wage.

Social critics contend that significantly higher poverty rates among Blacks, Native Americans, Hispanics and Asians compared to whites are explained by continued racial and ethnic discrimination and the workplace.

More tolerant social attitudes about marriage and

unwed motherhood, according to this point of view, explain the high numbers of single women and children in the ranks of the poor. Out of one in 8 marriages now ends in divorce. Births to unmarried mothers jumped from 16 percent in 1960 to 31 percent in the early 1990s. Both trends, critics say, result in children being raised in single-parent families headed by women and increase the possibility of poverty because female-headed families tend to have lower incomes.

And once people become poor, they are less likely to escape poverty because the system of financial benefits and rewards works against them, according to this point of view. Because they earn less money, the poor have less disposable income to invest in their own future. They may invest in a tax asset—a car, a personal computer—that might increase their chances of future financial success.

Moreover, poor people tend to live in poorer communities with generally lower quality schools that contribute to lower educational success. As persuasive as these explanations may be, critics say they release the poor from any responsibility for their poverty and instead view it as a problem outside the control of the poor.

Blaming government and the welfare system

According to this perspective, government intervention, no matter how well intended, has produced a record of failure. More than 30 years of poverty programs and trillions of dollars has destroyed work incentives and caused the poor to become dependent on government handouts. As a result, the percentage of the poor has risen rather than gone down.

In addition, welfare rules that provide more benefits to mothers whose husbands have abandoned them actually encourage low income single women to have children and to excuse the poor to expect others to help them rather than helping themselves.

Poverty research

Andy Duncan

"What is research telling us about poverty in Oregon?"

Sally Bowman, a family development specialist with the OSU Extension Service, responds to that question by pointing to "Poverty in Oregon: Myths and Realities," a synthesis of research prepared by a team of social scientists, public officials and professionals from local and state agencies and private organizations.

Some excerpts from the report:

Myth: Welfare causes poverty.
Finding: Most people who are poor do not receive cash assistance from the government. According to updated information from the Oregon Department of Human Services, less than 12 percent of the more than 400,000 Oregonians in poverty today receive Temporary Aid to Needy Families payments.

Myth: Welfare is a result of government policies.
Finding: Oregonians in poverty today receive Temporary Aid to Needy Families payments.

Myth: Welfare is a result of having too many children.
Finding: The average size of poor families is about the same as the average non-poor family, and family size has been going down. Studies show little evidence of a link between higher welfare payments and having more children.

Myth: Poor people are people who are disabled.
Finding: The majority of Oregonians in poverty work. At least part of the parent works in almost 70 percent of poor families with children. (The continued on page 8)
**Education plays a key role in poverty**

Andrea Dailey

The few circles are as vicious as the spiral that leaps together to form the cycle of poverty. On the upside of the circle is the fact that a good education is, for most people, the best way to prevent or escape poverty, but on the downside is the fact that poverty enormously complicates both learning and teaching. Children born into poor households typically have fewer opportunities to develop key language and social skills and the "readiness to learn" that is at the center of academic success. Programs such as the federal Head Start and Oregon's state-funded versions try to make up for these shortfalls. However, federal funding in Oregon currently limits participation to less than half the 17,000 three- and four-year-olds. Once in school, children of the poor have even more disadvantages. They may not have a quiet place to study. If a home is stressful, they may "act out" in school. Other students may laugh at their clothes. They often may be hungry and sick and unable to concentrate or to learn.

The results often are disastrous. Researchers, for example, the high-school dropout rate, which relates to poverty in adult life. While the national dropout rate from 1985 to 1996 fell by 9 percent, Oregon's soared by 33 percent. Based on 1997-98 data, more than a quarter of high-school students statewide are expected to drop out over a 4-year period. The rate in Portland Public Schools is 40 percent according to the Oregon Department of Education.

The department's study shows that many students who dropped out already had fallen far behind grade level. The quicker they dropped out, the worse it was. The results were particularly steep at the elementary and middle school levels and years in high school. Dropouts face a statistically scary future. They are twice as likely as high-school graduates to be unemployed, 7.5 times more likely to be on public assistance programs, 6 times more likely to be in unwed parenthood, especially among teenagers, and have a police record as much as twice as likely as married and, therefore, bigger factors in poverty. Many are hungry, too, when students quit school. Every notch in the dropout rate represents lost tax revenue, reduced participation in political and civic life, and a step back for the next generation in the dropout's family. At the same time, taxpayer costs increase for social services and crime. Many factors are linked to the dropout rate. Two are especially powerful: family poverty and minority status. Racial and ethnic minorities, traditionally overrepresented in the ranks of the poor, also make up more than their share of dropouts. In Oregon, Hispanics have the highest dropout rate, and the rate is as high as whites in 1997-98, and African Americans have the next highest rate, nearly twice that of whites. To a significant extent, minority-student dropouts reflect cultural illiteracy in many Oregon schools, according to activist and educator Johnny Lake of Salem. Lake has counseled students in Salem's McKay High School and conducts multicultural sensitivity training for a number of organizations, including schools whose teachers and administrators are mostly white and sometimes skeptical. Lake says, "Teachers ask me, "Why do I need your training?" I know my subject, and I know how to teach it. And I say to them, "How can you teach anything to a child you know nothing about?" Knowing each student-and connecting with him or her in meaningful ways—is key to educational success at every level, say educators around the state. They include Jaunita Fagas, principal of Williams Elementary School in Williams, about 25 miles south of Grants Pass. Fagans's school, whose poverty rate leads the list of Oregon's 1999 Title I Programs of Merit due to the children's strong academic achievement and the school's dynamic services for children. (Title I, part of 1994 federal legislation, directs special funding to schools with high percentages of children below the poverty line. One third of Oregon's 1999 Title I school year, slightly more than half the public elementary, continued on page 9

**Poverty Research continued from page 7**

A short article in the report addresses the question "Why don't these people pull themselves up by their bootstraps, just like I did?"

"Earlier in our century," the article says, "the routes up and out of poverty were imperfect, but they were plentiful. Most poor and otherwise disadvantaged families lived in an environment that provided day-to-day evidence that hard work, ambition and perseverance brought rewards—reflected in large part the expanding demands for unskilled labor."

According to the article, changes in the economy in recent decades have made it harder for workers with few or no skills to earn enough to keep their families out of poverty. Examples of these economic changes are the downturn of the forest products industry and the rapid expansion of lower wage, service work. In 1996, a voter-passed initiative approved several increases in the state minimum wage, taking it from $4.72 an hour in 1997 to $6.50 an hour in 1999 (the federal minimum wage is $5.15 per hour). How has this affected poverty?

"Data through the first quarter of 1999 show that the fully phased-in increase has reversed years of declining wages for welfare recipients and other low-wage workers," says the executive summary of a report by Jeff Thompson of the Oregon Center for Public Policy in Silverton, which conducts poverty-related research.

But a full-time job at the minimum wage doesn't necessarily stay off poverty. For example, the federal poverty guidelines for a family of three (parent and two children) show the parent would have to make more than $6.50 an hour in a full-time job for the family to be out of poverty. And many consider federal poverty income guidelines significantly below a "living wage" in a state such as Oregon where housing and other expenses are high. Also, not everyone with a minimum-wage job is able to work full-time. National labor statistics show that 61 percent of workers with minimum-wage salaries are in part-time jobs, according to Art Ayo, a labor economist with the state employment department. No comparable Oregon statistic was available. The Oregon Department of Human Services says more than 75 percent of the roughly 1,500 persons a month who leave Temporary Assistance to Needy Families leave for a full-time job.

"Our studies of Oregon low-income workers (employed and participating in the Oregon Health Plan in 1994) found a lot of workers with persistently low earnings, and a lot of moving in and out of jobs," says Bruce Weber, a professor of agricultural and resource economics at OSU who is involved in several poverty-related studies for agencies such as the Oregon Progress Board.

"Full-year work appears to be elusive for many low-income working adults," adds Weber. "Less than half reported earnings in all eight quarters after they entered the Health Plan. One third reported earnings in less than six of the eight quarters. The average 1996 income of these workers was less than $9,000."

The economy is a gigantic, unpredictable variable when you try to pinpoint the forces that affect poverty, Weber points out, and he wonders what will happen to low-income Oregonians, try to pinpoint the forces that affect poverty, Weber points out, and he wonders what will happen to low-income Oregonians, including those recently off welfare, when the state runs into its next significant economic downturn.

Another Oregon State University faculty member, family studies professor Clare Pratt, took a stab at summarizing some of the things research is telling us about poverty in Oregon. "Not surprisingly," she said, "Oregon poverty varies by age, gender, race, region and educational level. Our youngest and oldest residents are poorest. Women and women-headed households have much higher rates of poverty at all ages. Minorities experience much higher levels, and rural Oregonians are more likely to be poor than urban dwellers. Education levels are strongly related to income. The more education the better."

"When the risk factors combine," she continued, "the rates of poverty increase dramatically. For example, being an elderly minority woman has been called the economic 'triple whammy.' "Poverty, especially prolonged poverty at an early age, can lead to risk for poorer health, lower educational success and greater exposure to family and community violence. Despite growth in the economy and the low unemployment rate, the percentage of families with young children who are poor or near poor has increased in the past 20 years. In fact, the income inequality has increased dramatically. We have an increasing number of families that are economically vulnerable and a shrinking middle class."
middle, and high schools in Oregon received $47 million in Title I money. Williams Elementary wasn’t always a success story, but fact of Fagan’s 13-year tenure as principal, she and her staff believed that high poverty went in lockstep with low academic achievement. ‘We wouldn’t expect much because look what we have to work with.’

Then, with the first Title I money 4 years ago, Williams began the kind of reform in major academic and student-discipline areas—and in the attitudes of all staff from cooks to classroom aides to teachers. ‘Now, we say that every kid has potential. We can’t change their lives or their classroom aides to teachers. Of all staff from cooks to

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Some kids can work their way

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I said) we’ll provide the

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Even the best education

from kindergarten through

doesn’t by itself keep poverty

in high school diploma

minimum wage makes the

college students have a solid

financially. For example,

the Oregon Center for

Children in Poverty, poverty

rates rose more than 75

percent in the past 20 years

for children whose parents

had a high school diploma

but no college degree.

The difference in income

levels is likely to grow in

the future, as more jobs

require more education and

training just to gain entry and

as inflation eats away at the

steady earning rates of

high-school graduates.

Nevertheless, few people

use education as a ticket to

escape poverty. Only 7

percent of students from the

lower half of the rental

economic scale get a bachelor’s degree, compared to 31 percent of students from the top quarter.

They have a great increase

in college costs since 1980 and

the big drop in subsidies for

low-income students has a lot
to do with that. Many

because of generous federal

programs 20 years ago, the

mix in financial aid packages

was 75 percent grants, which didn’t have to be repaid, and 25 percent loans, which did, according to Kate Peterson, OSU director of

financial aid.

Today, the split is reversed. The result after four years can be a debt measure in
tens of thousands of dollars.

Families point out that high
debt makes college a riskier investment for

low-income students because, on average, they’re less likely to finish their degree and less likely to earn enough to pay

off the loans. Students and their families don’t look at it quite like that, says Peterson. They just think college is

plainly unaffordable, and

Peterson sees that perception

as a big obstacle in itself.

Some researchers see this

misperception as the crucial

first step on the path a low-income student takes away

from college. After concluding early on that college is

unaffordable, the student’s

later decisions—about

whether to stay in high

school, which courses to take, and whether even to apply for college—make college less of an option in the future.

For those without a college education, job training is an option.

Education is the form of

job training for teens and

adults has been a staple of antipoverty programs.

Especially now, when the emphasis is on moving people off welfare and into

the workforce, job training is seen as a key element of the

anti-poverty program. Indeed, placement without training is ineffective in the long run, says a recent study by

the Center for Law and Social Policy. That’s because

welfare recipients usually have low skill levels and

often don’t stay in the low-

wage, dead-end jobs they’re

able to get, yet they don’t

have what it takes to get better jobs.

Though job training unques tionably helped

many of those who received

debate is brisk about its

effectiveness in reducing

poverty overall. Those who

have studied programs of the

past several decades tend to

conclude that gains are modest.

One reason is that most

programs are funded to serve

as few as 5 to 10 students.

In Oregon, poverty, notes Jeff Davis of The

Oregon Consortium, which administers a workforce

training program in 23 rural Oregon schools.

For another thing, even

after receiving some training and a ‘ticket’ to a low-wage job, earning minimum wage still is hovering around the poverty line. A job is only part of the exercise.

The difference in income

the graph below shows,

the players—the

Economists point out that

lawyers and policies

are the significant drivers

of poverty. We hear a lot less

about how laws and policies

should be paid a fair wage.

During the late 1960s and

1970s, the federal government

passed a number of minimum

wage laws, which didn’t have to be

lawful. Congress decided to

pass minimum-wage laws in

1912, Oregon passed a year

later. These laws were aimed

at improving working condi-

tions. In a higher-cost area of

Portland, to set “living

wage, $6.50 an hour; is

$14,000. At that level of taxable income, the family

owed $240 in state income taxes.

The working parents also paid federal Social Security tax and state unemployment tax to finance

to drive a car, they paid federal and state gasoline taxes. If they

smoked tobacco or drank alcohol, they paid federal and

state tax on those purchases. Thanks to the federal Earned Income Tax Credit, the family owed no federal income tax for the year and

instead received a tax credit of almost $3,000.

County, the living wage for a single adult is $10.36 an

hour, the study says. For a family with two or more adults

outside the

home, it’s $14.34 an hour.

LWages levels were calculated in 1996 dollars) to include some allowance

for savings, taxes, child care, and health care as well as for

food, clothing, shelter, and transportation. The calcula-

tions provide only a modest

standard of living. For example, housing for a single

adult works outside the

home, it’s $17.84 an hour.

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Part 3

Who Are the Poor?

"Poverty is a statewide, not just an urban, challenge. All Oregonians need to be concerned. The price we pay in lost opportunities and damaged lives is very high."

Michael Powell, bookstore owner, Portland

Working poor dominate poverty rolls

Theresa Novak

Most of Oregon's poor are struggling in plain sight behind cash registers and restaurant counters. Many are single mothers with children. Many are elderly widows.

"Your chances of being poor increase if you are a woman or a child," said Clara Pratt, an OSU professor of family studies.

The U.S. Census Bureau measured Oregon's overall poverty rate for 1997-98 at 13.3 percent. The rate is considerably higher for children, single women and minority group members. (See graphs on pages 11 and 13.)

Children under 5 years old have the highest poverty rate of all age groups with one in five living in poverty. Among households, those headed by single women have a poverty rate of 30 percent.

And minorities have much higher poverty rates than whites. Blacks, Native Americans and Hispanics experience poverty rates of 25 percent or more compared to 10 percent of whites.

Up to 70 percent of the people who are living in poverty in Oregon are the so-called "working poor." That is, these people usually work full time, but don't earn enough to leave the ranks of the poor.

Full time employment at minimum wage translates into gross pay of $260 a week from which to pay for groceries, rent, heat, electricity and transportation.

Faced with this sort of budget, some Oregonians are forced to skimp on food so they can pay their bills. About 13.6 percent of Oregon households have difficulty meeting their basic needs for food, according to U.S. Department of Agriculture statistics released in October 1999. That compares to a national average of 9.7 percent.

Finding an affordable place to live is also a huge challenge for families in Oregon, especially low-income families. The state's population growth—about twice the national average—has pushed housing costs to some of the highest in the nation.

Oregon ranked 13th among the states in the cost of existing homes and 17th in the cost of new ones, according to the National Association of Realtors. Little help is available for those looking for affordable housing. The waiting list for subsidized housing is years long.

Earning the money to afford both housing and food has become more complicated in the past 20 years. Then, a high school diploma was a ticket to a family-wage job with a local plywood mill, logging outfit or fishing fleet. These high-paying jobs have been automated or exported out of existence in the past 20 years as Oregon's economic base shifted from natural resources to high technology, light manufacturing, service, retail and Pacific Rim exports.

Today 47 percent of all job openings pay less than the $10.07 an hour considered to be a living wage for a single adult, according to a University of Washington policy center report.

"It isn't so much that we're becoming a nation of haves and have-nots as a nation of skilled and unskilled, trained and untrained," said Earl Fairbanks, a recently retired regional economist for the Oregon Employment Division.

"A recent study by the Oregon Employment Department indicates that the richest 20 percent of Oregon families with children have an average annual income of $57,589. That is 10 times more than the average income of the poorest 20 percent. Unless they gain some marketable skills, Oregonians who find themselves in reduced economic circumstances face a continuing struggle to find a niche in the lower economic rungs.

Pamela Moore, 43, of Lebanon, knows what it is like to be learning new job skills in mid-life.

A former bartender, Pamela sought help from the Lebanon Jobs Program after separating from her husband and facing the prospect of raising two teenage daughters.

"Poor to me does not even describe where people who live on welfare are," she said. "Poor is a step or two above welfare income. Poor is just scraping by with nothing left over."

Moore is grateful the help was available for her and others who need it, but she knows that alone won't make the difference. Ultimately, she is drawing on her own strength and determination.

"I promised my children, she said.
According to U.S. Census Bureau statistics, Oregon’s poverty rate has remained between 11-12 percent except for 1989, when it rose to 12.4 percent, and 1998 when it climbed above 13 percent for the first time.

**Suburbs thrive; cities, rural areas fall behind**

Theresa Novak

The highest poverty rates in Oregon are spread across rural areas and concentrated in small pockets in the core of almost every city. Poverty is lowest on the suburban fringes of those cities. (See maps on this page.)

This geographic pattern of poverty is repeated across the United States, according to a study by Tom Hirschl of Cornell University. His study of 1997 U.S. Census data placed the national poverty rate for central cities at 19 percent, rural areas at 16 percent and the suburbs at 9 percent.

For example, consider two counties where poverty and plenty share a common border: suburban Clackamas County’s eastern border abuts rural Hood River County. Economically, the counties share little else.

Clackamas County residents earned an average annual wage of $27,219 in 1996, according to regional economic projections from the Oregon Employment Department. Also earning above-average wages were residents of Multnomah, Washington, and Benton counties.

In contrast, the average annual pay of workers in Hood River County was $19,117. The average annual wage is even lower in Malheur, Wheeler and Sherman counties.

The economic differences between the two counties also show up in statistics for the Children’s Health Insurance Plan, a health service for low-income children. About 36 percent of the children living in Clackamas County come from families who are eligible for the health plan. In Hood River County, in contrast, 35 percent of the children qualify for the plan.

The economic recovery that Oregon has enjoyed since the recession of the 1980s has left rural Oregon behind, said Arthur Ayre, an economist with the Policy and Communications Section of the Oregon Economic Development Department.

In a presentation to the Governor’s Workforce Policy Cabinet entitled "Distressed Areas in Oregon," Ayres noted that fifty years ago, the state's manufacturing sector was highly concentrated in lumber, wood products and food processing.

Twenty years ago, Oregon had more than 80,000 people working in the wood products industry. But the recession of the early 1980s and increased environmental regulation and mill automation during the early 1990s reduced that figure to about 50,000 jobs today.

Among the communities hit hardest by the timber downturn were Reedsport and Coos Bay on the southern Oregon Coast.

While Oregon has diversified its urban economy into well-paying high technology and small manufacturing jobs, such jobs have not been created to replace lost forestry and fishing industry jobs in rural areas.

While 250,000 more jobs have been created in non-metropolitan areas since the 1970s, the average worker in rural Oregon now earns $2,300 less—adjusted for inflation—than a comparable worker in the 1970s, according to a January 1999 report prepared for the Portland Chamber of Commerce.

Jeff Davis, planning and marketing coordinator for The Oregon Consortium, a workforce training program in 23 rural Oregon counties, said another effort is needed to bring economic growth to rural Oregon.

While that is a start, rural Oregon continues to seek economic opportunities often without the same kinds of roads, infrastructure and other necessities of commerce found in urban areas.

Frances Harkenrider, the long-time mayor of Hermiston, said the average annual wage in her community of about $21,000 is inadequate for meeting a family’s expenses, but above the poverty line for receiving benefits.

"Rent has gone from about $375 a month to $800," Harkenrider said. "Property costs are going up. The cost of gas is going up. I don’t think wages are keeping up. I don’t see how people can pay car insurance and medical costs. A lot of things seem beyond the control of the average person now."

OREGON STATE UNIVERSITY EXTENSION SERVICE 11
Women and children most likely to be poor

Carol Savonen

Both men and women, young and old, experience poverty. But compared to men, most women and children are poor in the United States, U.S. Census statistics for 1995 bear this out.

- Two-thirds of all the poor adults in the United States are women
- Children under 18 make up about 40 percent of the country's poor, yet are only 18 percent of the population.

In Oregon, the trends are the same—single mothers and their children tend to account for an exnctively number of the poor. Ninety-two percent of the families on welfare in Oregon are single-parent households headed by women.

According to "The State of Oregon's Families Report," by the Center for the Study of Women in Society at the University of Oregon:
- Thirty percent of the households headed by single women in Oregon live below the poverty level, almost twice the rate for households headed by single men.
- On average, only 43 percent of female-headed families at Oregon received child support or alimony in 1993-1997. Thirty percent of court-ordered child support was not paid in Oregon in 1998.

Social scientists have coined phrases such as "the feminization of poverty" and "the pauperization of motherhood" to describe these trends.

Divorce rates rose from the 1950s to the 1970s, as did the number of single mothers choosing to raise children alone, explained Clara Pratt, OSU professor of family studies, and Sally Bowman, OSU Extension family development specialist. Single mothers carry a huge financial burden compared to two-parent households.

Single mothers and their families have extra barriers to economic success, according to Pratt and Bowman. For example:
- It often takes two working adults to bring a family over the poverty line, a change from the past when one wage earner could often support a family.
- Single mothers bear the brunt of the financial burden for their children. Since women generally have custody of the children, they end up paying for most of their support, including childcare. Full time childcare costs range from $4,000 to $10,000 a year, a significant amount when one out of three families with young children earns less than $25,000 per year.
- Single mothers are not always able to work as much as they need to. They often give up some employment opportunities in order to care for their kids.
- Women earn less per hour than men. For every $1 a main earner, Oregon woman earns 69.6 cents. Nationally, women earn 70.5 cents for every dollar a man earns.
- Women generally have lower paying jobs and fewer promotions.
- Too many women hit a "glass ceiling," where they are often passed up for promotions because, among other reasons, they have taken time off work for motherhood or caring for dependents, said Pratt and Bowman.
- With less working time and lower wages, in turn, there are lower retirement savings and Social Security benefits for women. According to the Wall Street Journal, the average monthly Social Security benefit for retired women in 1994 was $621—almost $189 less than the average paid to men.

Most poor people don't stay that way

Theresa Novak

Many know her face. Few know her story. More than 60 years after Florence Thompson's caregiver face made her a symbol of the Great Depression, her story teaches a valuable lesson: The poor usually do not stay poor. They do not remain in despair.

In 1936, Florence Thompson was a refugee in her own country, according to the 1984 book Dust Bowl Descent by Bill Gatel. Ganel wrote:

"Displaced from her home in Oklahoma in the early 1920s, Florence and her family were travelling from one small California farming town to another, looking for work. From Modesto to Salinas to Bakersfield to Fireball, California—or wherever the next harvest was ready—they loaded their tent into their Model T Ford and moved on."

Dorothy Lange of the Farm Security Administration photographs Florence as part of a government project to document migrant worker conditions.

Florence's condition was desperate. Widowed and the mother of five by the age of 32, she had hoped to find work in the pea fields outside Nipomo. But a late frost had destroyed the crop, and worse, the family truck had blown-out tires, so the family couldn't move on. Her sons were in town fixing the flats. Florence was comforting her three daughters.

When her photograph appeared in the local newspaper, the public poured out compassion to the farm workers, bringing food and offers of work.

But Florence never saw that help. She and her family had found a way to move on the following day. And they kept moving. Eventually, they found their way out of poverty the way most people do. Florence married again. Her husband found decent work, and the couple added four more children to the family.

Florence and most of her 10 children settled around Modesto, California, not too far from that pea field. When they were grown, Florence's children bought her a suburban tract house. She was pictured there in 1979, sitting in a lawn chair with the three daughters from "the picture" standing around her. She was wearing the ghost of a smile. Forty-three years later, Florence Thompson died peacefully in 1982 at the age of 77, surrounded by her family. Her photograph, which now appears on a U.S. stamp, continues to be the most-requested in the Congressional archives.

This photograph of Florence Thompson, taken in 1936, symbolized the widespread poverty of the Great Depression.
Poverty rate by race, ethnicity

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Statistics are based on the 1998 Oregon Population Survey.

Poverty rate by age

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<th>Age Group</th>
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<th>46-64</th>
<th>65-74</th>
<th>75+</th>
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<tr>
<td>Poverty Rate</td>
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</tbody>
</table>

Statistics are based on the 1998 Oregon Population Survey.

Poverty by household

<table>
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<tr>
<th>Household Type</th>
<th>Poverty Rate %</th>
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<tbody>
<tr>
<td>Single female with children</td>
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<tr>
<td>Single male with children</td>
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<tr>
<td>Single adult without children</td>
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<tr>
<td>Married with children</td>
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<tr>
<td>Married without children</td>
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</table>

Statistics are based on the 1996 Oregon Population Survey.

Oregon's children and poverty

Carol Savonen

Each year, the Annie E. Casey Foundation publishes the "Kids Count Data Book," considered to be one of the most complete measurements of child well-being in the nation. It measures the quality of children's lives by examining such trends as poverty, crime and health. The 1999 Data Book shows the relative well-being of Oregon's children is slipping in some areas. For example:

- In 1999, Oregon ranked 29th nationally in child well-being, down from its 1998 ranking of 23rd. Many children's advocates are alarmed at this statistic as Oregon has a relatively robust economy.
- The national high school dropout rate fell by 9 percent nationally from 1985 to 1996, while Oregon's dropout rate rose by 3.3 percent over the same time period.
- Thirty-three percent of Oregon's children live with parents who do not have full-time employment compared to the national average of 30 percent.
- Oregon lags behind the national average in the 2-year old child immunization rate: Oregon's 77 percent versus 78 percent nationally.
- Nationally, the death rate for children ages 1-14 dropped from 34 to 26 children per 100,000, but Oregon's rate has remained at 29 over the past decade.

On the other hand, Oregon children fare better than average in other indicators of well-being. The 1999 Annie E. Casey report found that Oregon ranks better than the national average in the percent of low weight babies, the infant mortality rate; the rate of teen death by accident, homicide or suicide; the teen birth rate and the percentage of children in poverty (17 percent in 1996 compared to a national average of 20 percent).

Some myths of teenage welfare mothers

Myth: Welfare encourages teen childbearing.

Reality: Research suggests that teen childbearing by low income teenage mothers is influenced by several factors, including employment opportunities, school performance, self-esteem, childhood abuse, and sexual pressures and coercion by adults.

In 1994, studies by seventy-six researchers in the areas of poverty, labor and family structure found that the availability of welfare does not significantly increase births outside of marriage.

Myth: There is an epidemic of teen mothers in the United States.

Reality: Teen births have been declining in the United States over the last 30 years from 90 births per 1,000 females aged 15-19 in 1955 to 56.9 in 1995.

Myth: Most welfare recipients are teen mothers.

Reality: In 1995, only 6 percent of female welfare recipients were under 20 years old.

Myth: Most welfare recipients are able-bodied adults who have fallen into dependency and do not want to work.

Reality: Children are the main recipients of welfare. In 1995, 69 percent of Aid to Families with Dependent Children recipients were children.

Children under age 5 suffer the highest poverty rate of all age groups with one out of every 5 living in poverty.
Elders face poverty as they grow older

Theresa Novak

In 58 years together, Francis and Tom Pickett have never thought of themselves as done when. The couple endured the Dust Bowl and World War II. They had a son and a daughter. Francis taught music to elementary school students, kept house and raised her children. Tom farmed, built bridges and worked hard to keep the family fed and sheltered.

"We learned how to get along on nothing," Francis said. "We never lived high andomedical expenses. We knew how to manage." At 93, the Pickets still live in their own modest apartment near the Corvallis library. They had their assets eroded over time, especially by medical expenses. Although this group, poverty rates are higher than among people who are more recently retired. So was it with the Pickets. In 1964, a Social Security teacher brought her limited Social Security and pension benefits before a heavy weight sent Tom to the hospital for two years. Francis needed more than their Medicare health insurance provided. They had to turn to Medicaid, a program for low-income people, to help cover their high medical costs. They accepted the aid and gratefully absorbed its burden.

"It's hard to live like this out of someone else's pocket, but we never figured on living this long," Francis Picket said.

With the future of Social Security uncertain, the Pickets are concerned about whether Americans born then in 1946 and 1954 will be able to retire. They worry that the Social Security system is on the verge of financial failure. It will be in serious trouble by 2013, the trust fund will be exhausted, and Social Security will be unable to pay out the full benefits older Americans have been promised.

Only 10 percent of Baby Boomers are setting aside money for retirement.

Despite widespread publicity about the threat to Social Security's solvency, most Baby Boomers are not setting aside money for retirement. A recent study by the Social Security Administration (SSA) states that 90 percent of baby boomers do not need to worry about Social Security for their post-retirement income.

"We found that simply wasn't true," said Wiedertz. "Only about 30 percent of Baby Boomers are setting aside money through IRAs or other savings or investments. In fact, one-quarter of Americans believe their best financial strategy to prepare for retirement is to buy lottery tickets, not long-term savings or investment, according to a 1999 national survey by the Consumer Federation of America. With so many people apparently relying on Social Security, losing that fund would be devastating to older Americans, according to the Washington, D.C.-based Center on Budget and Policy Priorities, Social Security is the primary buffer from poverty for 46.7 percent of the elderly population who otherwise would fall below the federal poverty level. In dollars, the federal poverty level stands at less than $8,240 for a single person over 65—about $640 a month. The poverty rate for an elderly couple is 14.8 percent.

How do 17 percent of older Americans end up with incomes below the federal poverty level? They may have stories similar to that of Evelyn Duncan.

Born in 1908, Evelyn Duncan married during the Depression. She and her husband had four children. Evelyn Duncan was a wife and mother. She didn't drive, handle money, or learn how to type.

After her husband died in 1971, Evelyn survived on Social Security and a small inheritance. When the inheritance ran out, Evelyn joined the ranks of Oregon's low-income elderly.

"Oregon is at the head of the nation (where help to elderly is concerned)," Evelyn said. "No doubt about it."

For example, Oregon lawmakers are setting aside money for community-based care for frail seniors. As a result, over the past decade the state's nursing home population has dropped despite an increase in the senior population.

Seniors do not pay state taxes on Social Security income. Unlike other Oregonians, they can deduct all of their state and local medical expenses on their tax returns. Duncan and increased activism by all Oregonians on behalf of seniors would help to ensure eventually for everyone:

"We all have to help on this," he said. "We're all getting old."
The onset of mental illness usually occurs in late adolescence.

from attaining the skills and knowledge to become employed. Effective treatment is time-consuming and expensive.

These illnesses are cyclic. Brown added. The affected person may be well for a time and then may suffer a relapse.

People with chemical dependencies—drugs and alcohol—also fall into chronic poverty, and worse.

In addition to being unemployable due to addiction, drug use, people with chemical dependencies also run a high risk of sustaining physical injuries or getting caught up in the criminal justice system, said Vicki Decker, coordinator for the North-West Frontier Addiction Technology Transfer Center in the Oregon Department of Human Resources.

"Many people think poverty causes chemical dependency," said Decker. "In fact, the opposite is more often the case. Dependency causes the individual to fall into poverty." People become chemically dependent for all kinds of reasons, Decker explained. Many people become addicted to alcoholics or addicted to drugs because it's their way of coping with a life trauma. Or, in the case of alcohol,

some people have family predispositions to alcohol abuse.

"Usually they are just getting to the point where they will be entering the world of work," Brown said.

"This pattern of abuse often begins in teenage years," said Decker. "In most cases, average adults who are drinking don’t reach that stage of rehabilitation where they are losing jobs until their disease has progressed quite a way. Usually they seek their first treatment in their 40s," Decker continued. "As a rule an alcoholic will quit a job before he loses his source of income."

She added that drugs like heroin and methamphetamine have similar effects, but take a much greater physical toll on the individual with a shorter time span.

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system can find a way to reach these young people, the Hispanic community will continue to see high poverty rates.

"This cycle of poverty perpetuates itself. Poverty often contributes to dropping out, which contributes to more poverty."

Those who work with the poor agree that the people living in the worst poverty in the state are largely suffering in silence—the undocumented migrant workers, who sometimes live in appalling conditions and try to subsist on the fringes of a society.

The Mexican Consulate of Oregon estimates that up to 90,000 undocumented Mexican nationals work in Oregon.

Mario Magaña, a former migrant worker who is a recent OUSI master's degree candidate, said many employers are honorable and fair. But if employers do not pay their workers or treat them badly, undocumented workers are unlikely to complain for fear of being deported.

"Even if you have immigration papers, if you don't have a license or car insurance, you can go to jail," Magaña said. "Usually these people have no money for lawyers."

African American

More than one-quarter of the state's 57,000 blacks are in poverty in a given year, according to 1996 poverty data.

Poverty's known associates—below grade performance in school and high suspension and dropout rates—also affect African Americans far out of proportion to the number in the population. In 1996, fewer than one-quarter of African American eighth-graders met Oregon's reading and math standards—less than half the statewide average. An African American in the Salem-Keizer School District, second largest in the state, in 1998-99 ran a 46 percent chance of being suspended at least once during high school. The rate for whites was 16 percent. Based on 1997-98 statewide data, more than 44 percent of African American students are dropping out of high school—nearly double the rate for whites.

On the brighter side, more African Americans in Oregon have high school diplomas and college degrees than do blacks on average nationally. However, African American men earn much less than their white counterparts—on the national average, $33,000 a year less for college graduates and $6,000 a year less for high school graduates—which increases their risk of being pushed into poverty if things go even just a little bit off track.

Perhaps most discouraging is the extent to which African Americans have not budged substantially despite decades of government policies and programs.

That's because the real antidote to poverty, including in Oregon's African American community, is something money can't buy, say some of the community's leaders—it's an attitude shift at a fundamental level and on a grand scale.

"People have a strong tendency to look at the world in terms of 'them and us,'" says Norm Monroe, staff assistant to Beverly Stein, chair of the Albina Ministerial Alliance NW Inc. in Portland.

"The idea that the casinos have made Native Americans rich is a myth," said Gary Braden, executive director of the Native American Rehabilitation Association NW Inc. in Portland.

The unemployment rate among members of the Confederated Tribes of the Umatilla Indian Reservation remains about 20 percent despite the nearby Wildhorse Casino, said Deb Cresswell, the tribal public affairs officer.

"That's down from 40 percent unemployment a few years ago, but it's still about twice the national unemployment rate," she said.

Though small in number compared to whites, Oregon's minority populations have much higher rates of poverty.

Native Americans belong to nine federally-recognized tribes: The Buin Paiute Tribe; The Confederated Tribes of Coos, Lower Umpqua and Siuslaw Indians; The Confederated Tribes of Grand Ronde; The Confederated Tribes of the Siletz; The Confederated Tribes of Warm Springs; The Confederated Tribes of the Umatilla Indian Reservation; the Cow Creek Band of Umpqua Indians; The Klamath Tribe; and The Coquille Tribe.

About 89 percent of Oregon's Native Americans live in the urban centers of Portland, Salem and Eugene, according to the 1999-2001 Oregon Directory of American Indian Resources.

The 25 percent who are in poverty have not had access to training and education programs.

"These are people who could get a manual labor job and make a reasonably good living if they were in good health. Many of the jobs now require knowledge of electronics and computers. Most of the tribal membership is in the labor force don't have those skills," said Jim St. Martin, tribal manager of the Umatilla-Pojooux.

Tribes with no base of salaries or wages pay lower rates than those paying a living wage. Even so, older tribal members may be reluctant to leave, St. Martin said.

"Their home is here. This is where their ancestors are. This area holds great significance for them."

Asians

Half a world away from their heritage, some of Oregon's 98,000 Asian Americans say they resent the stereotype that Asians are a model minority with few problems related to their ethnic heritage. Poverty rates differ greatly within Oregon's Asian American community. While those of Japanese and Asian-Indian ancestry generally have incomes comparable to whites, many of the newly arrived Asians, such as Vietnamese and Cambodians, have much higher poverty rates than whites.

So the model-achiever myth rings hollow to people such as Sharon Lee, an associate professor of sociology at Portland State University.

According to Lee's studies, although many Asian Americans have lived and prospered in Oregon since the 19th century railroad expansion brought them West, a newer wave of Asian Americans fled to Oregon not for jobs, but for their lives.

"Unlike most other Asian Americans, many Southeast Asian Americans were involuntary immigrants," Lee wrote in her 1996 Population Reference Bureau Report titled "Southeast Asian Americans: Diverse and Growing."

Harsh economic conditions and political persecution in Southeast Asia accounted for some of the 1.2 million emigrants who came to the United States from Vietnam, Cambodia and Laos between 1975 and 1994. Among them was a desperate flood of refugees escaping widespread genocide by the Khmer Rouge government in Cambodia.

About 5,000 refugees from Southeast Asia settled in Oregon. Fearful of government involvement of any kind, even for help, many of these refugees were poorer, younger, with more children and less education than the Asian Americans already living in Oregon, Lee said.

With strongly ingrained traditions and strong family ties, these refugees have been slower than some to move into the economic mainstream, she said.
A brief history of public policy

Bob Rost

1818

U.S. federal government passed the Revolutionary War Pension Act, the nation's first military pension program. Intended to provide assistance to impoverished Continental Army veterans, it was one of the first attempts by the federal government to take a direct hand in attending to the social welfare needs of its citizens.

1854

England's Poor Law declared that "vagrants refusing work could be whipped, branded or stoned," and stated that "parents were responsible for the support of their needy children and children, insofar as they were able, were responsible for the care of their needy parents." Beyond these harsh directives, the law recognized that helpless or needy people not only deserved state assistance, but had a legal right to it. The law helped establish public attitudes toward the poor in England. These attitudes, along with other English traditions, took root in the colonies in the new world.

1875

Congress passed the Federal Emergency Relief Act to provide unemployment relief for jobless workers.

1909

A White House Conference convened to discuss growing concerns about child welfare. The conference led to the establishment of the U.S. Children's Bureau. The first agency of its kind in the federal government, the bureau conducted research and collected information on the condition and treatment of the nation's children.

1918

Introduction of the Infancy and Maternity, or Sheppard-Towner, Bill. The bill, eventually passed by Congress in 1921, gave the federal government a direct role in child welfare in the area of health.

1929

President John F. Kennedy signed the Public Welfare Amendments to the Social Security Act, which provided funding for job training and job placement services targeted to people on public assistance.

1962

Congress passed the Manpower Development and Training Act to retain heads of families displaced by technological and economic change. The act provided a subsidy to trainers.

1964

Stock market crash. The Great Depression followed in the 1930s.

1965

The Economic Opportunity Act was passed as the keystone to President Lyndon Johnson's "unconditional war on poverty." The Act placed emphasis on education and training as a way to enable poor people to become more productive and move off welfare and into the workforce.

1973

Comprehensive Employment and Training Act (CETA) provided for the transfer of funds and decision-making authority for job training programs from states to local primary sponsors.

1977

President Jimmy Carter proposed his Better Jobs and Income Program, which was similar in many ways to Nixon's proposal with its guaranteed income provision and job training and placement plans. Like the Nixon plan, Carter's program was never brought to a vote.

1980s

Following the election of Ronald Reagan, the federal government began backing away from its role in social welfare. President Reagan dashed spending on social welfare programs and advocated transferring control to the states of the Aid to Families with Dependent Children (AFDC), Food Stamp and Medicaid programs.

1982

The Job Training Partnership Act (JTPA) highlighted training as the key to putting jobless people to work. The act emphasized public-private partnerships, and also put strong emphasis on placing participants into unsubsidized, private sector jobs.

1988

Efforts by President Reagan and leaders in Congress to achieve welfare reform centered on passage of the Family Support Act, which was intended to revamp the AFDC program. It provided incentives to get single welfare mothers into the workforce. It also enhanced the child support offered by AFDC.

1996

The struggle to achieve welfare reform continued with passage of the Personal Responsibility and Work Opportunity Reconciliation Act signed by President Clinton in 1996. It ended federal guarantees of public assistance to families with children, replaced AFDC with block grants to states, and placed strict time limits on benefits.”

Mayor Frank Harkenrider, Hermiston

European Poverty in the 19th Century

1980s

A Portrait of Poverty in Oregon

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OREGON STATE UNIVERSITY EXTENSION SERVICE
State agencies lead government efforts

Carol Savonen

As the Oregon Strategy for Social Support, a program administered through the Governor's Healthcare, Human Services and Labor Office, provides overall policy direction on issues relating to poverty. It requires that education, workforce and social support investments by the state be carefully balanced and coordinated to be most effective in making Oregonians as self-sufficient as possible. Many of these state investments are support programs that serve families and individuals who are poor, including:

Department of Human Services

The Oregon Department of Human Services (DHS) is the primary state agency that addresses the effects of poverty in the state. It is an "umbrella" agency that manages more than 200 programs to help Oregonians become self-sufficient, healthy and safe. DHS serves Oregonians through public agencies, hospitals and other providers:  
- provide assistance to the poor  
- find and train people for jobs  
- provide vocational rehabilitation  
- help those with physical or mental disabilities or mental illness  
- provide public health services, including Medicaid, alcohol and drug abuse treatment and mental health treatment.

Examples of DHS programs in action:
The Oregon Health Plan supports basic mental and dental health services for low-income Oregonians. Since the Health Plan was enacted in 1989, the percentage of Oregonians with health insurance rose from 83 percent in 1993 to 89 percent in 1997.

In addition, uninsured hospital care dropped by 30 percent, reducing cost shifting to other patients, and Oregonians no longer have to sign up for welfare to receive medical coverage, contributing to a drop in welfare case loads. The Oregon Health Plan is one of more than 200 state government programs for the poor.

The Oregon Health Plan is one of more than 200 state government programs for the poor.

- The Oregon Child Support Program helps families obtain child support payments from non-custodial parents. This program expects to collect $536 million in child support payments in 1999.
- Other Department of Human Services (DHS) programs and divisions that address poverty-related issues in Oregon include:
  - The Oregon Health Division
  - The Oregon Mental Health Division
  - Services to Children and Families

The Oregon Health Plan is one of more than 200 state government programs for the poor.

- Office of Alcohol and Drug Programs
- Senior and Disabled Services Division

In addition to the DHS programs mentioned above, many other departments and agencies in state government directly address poverty-related issues, including:

Department of Housing and Community Services

This department works with public and private partners to administer programs that provide low-income housing, rental subsidies, homeownership, weatherization, energy assistance and food bank support.

The Oregon Department of Education

This department includes the federally-funded Head Start Program, Oregon Pre-kindergarten Migrant Head Start and Early Intervention Programs as well as the Oregon Department of Community Colleges and Work Force Development.

The Oregon Commission on Children and Families

This is the largest umbrella advocacy group for children and families in Oregon. Programs administered include Great Start, Court-Appointed Special Advocate, Juvenile Justice and Delinquency Prevention Programs, Student Retention Initiative and Oregon Healthy Start for first time families.

Other state agencies with poverty-related responsibilities include the Oregon Employment Department, the Criminal Justice Services Division and the Juvenile Correction Education Program.

Are state programs effective?

"Our biggest success, hands down, is the success that we have had helping people move from welfare to work," said Jim Neely, Deputy Administrator for Oregon's Adult and Family Services Division in Salem. The TANF caseload has dropped nearly 60 percent over the past five years, said Neely. Oregon had the most significant results among 11 welfare-to-work programs studied across the country, he said. "Oregon's program numbers got better jobs, on average. The Oregon program increased job quality.

The Oregon JOBS program stands out as a national success, according to Manpower Demonstration Research Corporation, a leading human resource research corporation. It concluded that Oregon's JOBS program "produced effects on employment, earnings and welfare receipt that were among the largest ever found for large-scale welfare-to-work programs.

Has the poverty rate gone down in Oregon?

"Poverty rates have not really dropped in Oregon in the past decade," said Charles Sheketoff, director of the Oregon Center for Public Policy, a private non-profit group in Silverton that analyzes government welfare policy activity. "There are more poor people in Oregon than ever because our population has gone up and the state hasn't dropped."

The biggest problem with poverty in Oregon, according to Sheketoff, is that there is no one agency responsible for reducing poverty. "The buck doesn't stop anywhere. There's no one group responsible for failure or success. People just shrug their shoulders. No one accepts responsibility," he said. "There isn't even a clearly coordinated effort to reduce poverty, even though Oregon has a benchmark goal to reduce poverty."

The failure to reduce poverty is not a failure of state government, argues Clara Pratt, OSL professor of family studies. "There have been successes, but we have a long way to go," said Pratt. "State agencies and policies are important positive influences, but they don't control all the causes of poverty, such as the global economy, changing technologies or school performance."
Andy Duncan

People expect government agencies to address poverty. And in Oregon, government programs at the local, state and federal levels are working together on the issue. But another force is at work to alleviate the hardships of poverty. Non-profit organizations and businesses work alone and with government agencies to help families and individuals who are living below the poverty line. These not-for-profit organizations and businesses are spread across the state from Portland to Coos Bay to La Grande. Their poverty-related work is done from warehouses in the industrial areas of cities, offices on small-town streets; sheds and modest, renovated homes in rural areas; and the headquarters of private companies. Where does a not-for-profit, private organization get money? Some deliver goods and services to the needy through the efforts of volunteers, with no public funds as part of the mix. Others cooperate with public agencies, receiving grants and contracts to operate various programs, receiving grants and contracts to operate various programs and projects. Quite a few aggressively solicit private donations to support their missions. And some sell items such as used clothes and reworked equipment to raise money for their work. Some businesses involved with poverty-related efforts use their own money. Others have contracts with public agencies.

The efforts of not-for-profit and for-profit groups to support ending food and putting a roof over people’s heads, to helping them prepare for and find jobs, to working on complex poverty-related issues in communities across the state and in Salem and Washington, D.C.

There are thousands of not-for-profit and for-profit entities. A few generic categories capture the mission of quite a few, including organizations you may not have thought of as poverty fighters:

- Food banks and food advocacy groups.
- Churches and other religious groups that help the poor and work with poverty issues.
- Regional community action agencies.
- Community health clinics and health care advocacy groups.
- Groups that address adult literacy and related issues.
- Legal aid and legal advocacy organizations.
- Community crisis intervention and domestic violence shelters and services.
- Drug and alcohol treatment and support programs.
- Homeless shelters and other groups that address critical housing issues.
- Companies that provide job counseling and training.
- Companies that have special programs designed to employ people in poverty.
- Companies that develop and advocate for various programs related to welfare and work issues.

The problem in naming any of these is that so many will be left out. But here’s an example of the work a not-for-profit, private organization is doing to alleviate the hardships of poverty. In 1998, the Oregon Food Bank Network delivered emergency boxes containing a three- to five-day supply of food to more than 400 people, including 164,726 children under 17, and served more than 2,650,000 meals to poor people. The hunger relief network includes the Portland-based food bank, 20 regional food banks across the state and about 635 local food banks, food pantries, soup kitchens, shelters and other agencies and groups in Oregon and Clark County, Wash.

The Oregon Food Bank recovers food from farms, government sources, manufacturers, wholesalers and their agents, and retailers and individuals and distributes it to the regional food banks.

Regional food banks then distribute the food to the local organizations, which work directly with people who need help. The regional banks, with names such as Linn-Benton Food Share and Food for Lane County, also collect food locally and distribute it. Some are affiliated with community action organizations that coordinate the delivery of social services in a region.

"We had a big increase in the food we distributed last year," says Jerry Tippens, a retired newspaper editor who, as a volunteer, chairs the Oregon Food Bank’s board of directors. "We think it’s at least partially due to the awareness of the need among the general public. It’s been surprising that so many people are trying to help people in need."

The Oregon Food Bank, like other not-for-profit community organizations, also has a paid staff. Executive director Rachel Bristol says that besides trying to eliminate hunger, the organization is working with people who are on public assistance and placing people in jobs. "We believe that getting a job is important because it builds self-esteem and that, once they are employed and more self-confident, people on welfare will improve themselves." Such controversy is not limited to businesses working with poverty issues. Oregon-based concerns aim at employees in the public and not-for-profit, private sectors who, some say, need to stop spending time on ministering to the day-to-day needs of people in poverty rather than helping them find a way out of poverty. They’ve even referred to this as a "poverty industry."

Some of these critics contend that the government helps redirect most of the public and private resources spent on poverty to federal levels. That’s why the state could do more to help Oregonians escape poverty, and they would not have to interact with a matrix of agencies and organizations when seeking help. A panel of prominent business leaders proposed a similar program to Richard Nixon when he was president.

These critics of welfare programs contend that if the country back off from welfare, suffering would decline and self-confidence and the rate of escape from poverty would rise, at least for those without continuing medical or educational needs. Others report that the approach attacks the "S" word-European-type socialism—and would not fit with our country’s capitalistic economic philosophy.

Many who work with public and private service organizations scoff at the notion of a self-perpetuating poverty industry. "That doesn’t match up with the current movements in the society, such as the daily work we are doing with people in poverty so they can become self-sufficient, and the work we are doing to achieve welfare reform," says Robert More, program director for Housing and Emergency Services for Southwestern Oregon Community Action Committee, Inc., in Coos Bay.

"We realize our job is not just to minister to the day-to-day needs of people in poverty but to help them move from these basic needs and out of poverty," he adds.

Some private organizations are actually troubled by their perception that the government is "dismantling" resources and shifting more of the burden of helping people in poverty to them.

"Churches seem to be having to take on more work with people in need that the state should be doing," says Emil Edwards, director of public policy for the Ecumenical Ministries of Oregon, an association of 15 Christian denominations that does direct service and advocacy for people in poverty.
Current poverty trends likely to continue
Welfare reform, service economy, income gap remain as issues

Andy Duncan

"American history contradicts the current fashionable belief in the impotence of government to alter social conditions such as poverty, hunger, malnutrition, or disease. Government programs can reduce or augment these conditions; they can destroy or revitalize cities; widen or narrow inequalities in income; and promote or retard the expansion of civil rights. In a nation as smart, inventive and rich as America, the continuation of widespread poverty is a choice, not a necessity."

In the Shadow of the Poorhouse: A Social History of Welfare in America 1986 (revised 1996)
By Michael B. Katz, Professor of History, University of Pennsylvania

When you look at poverty in Oregon, what seems to be on the horizon? What's going to happen in the future? "The Poverty Puzzle," a publication prepared for the National Issues Forum (see "Issues forum" on page 21), frames the issue this way: "The central questions are what do we owe the poor? What kind of assistance helps them get back on their feet, and what we owe the poor, what we expect a continuation of welfare reform, with its emphasis on briskly ushering welfare reform isn't working. Neely says, but they should give it a chance. "People have to reach the first rung," he says, "and that may be a low-paying job. They will have a chance to increase their incomes over time. Remaining on welfare guarantees they will remain below poverty."

Collecting and analyzing data on the impact of welfare reform (which the state is doing) is going to be important in the years ahead. "Moving families off of welfare into jobs is an important first step," says Sally Bowman, OSU Extension family development specialist. "But we know that a minimum wage job is not adequate to ensure self-sufficiency. It's important to track family income and well-being over time to know what additional supports families may need to maintain gainful employment and move into higher paying jobs." Kim Thomas, public policy manager for the Oregon Food Bank, is worried. "Oregon is hopelessly spending the savings from moving over 50 percent of the TANF recipients off the caseload. While some have gone into good things like childcare, much has disappeared to balance other budgets in state government. Very little support will be left if the economy changes and more families need help," she asserts. "There is no safety net left, except food stamps, and they only help the poorest of the poor if they're not immigrants or single adults without children. "I don't see the government building back the safety net (like the cash assistance programs), so we'll need to figure out ways to support low-wage work with supplemental programs (increased food stamps, child care support, transportation assistance, health care, etc.) or with major tax reform (increased earned income credits, child care credits or a negative income tax)."

Thomas and others wonder how many Oregonians with good jobs, but lots of debts, are only a paycheck or two away from poverty. "What happens in a recession when even the low-wage jobs aren't there? Back to the New Deal of government-sponsored work programs?" she says. "No one's talking about when the bad times hit. Do we expect they'll never hit again?"

Representatives of state government say Oregon has continued to spend its entire TANF allocation. "The TANF dollars that have not been spent on cash assistance have been spent on child care and JOBS program services," says Jim Neely, of the Department of Human Services. "Should a serious economic downturn cause more families to apply for cash assistance, money in those programs could be moved over to pay cash assistance."

Setting TANF money aside for later contingencies is risky, Neely contends. "Last year Congress made a serious attempt to recoup from states most of the unobligated TANF funding," he says. "Because Oregon had obligated all of its TANF funds, it was not targeted for a funding reduction."

No matter how the expansion and recession cycle plays out, many expect the general shift from a production to a service economy to continue. "This will add pressure to society's need for living-wage jobs," predicts Robert More, program director for Housing and Emergency Services...
The publication offers thoughtful ways on what can be done to execute each option, points in support of and in opposition to each option, and likely trade-offs for society.

The National Issues Forum also produced a poverty-related publication in 1993 that contains additional and still-relevant information. "The Poverty Puzzle" offers society four options:

1. Welfare Trap: Preverse Incentives and Failed Policies. The cause of America's escalating poverty problem is not a lack of government spending on welfare programs. The very efforts made in the name of helping the poor have created a culture of dependency.

2. The Rights of the Poor: Means to an End. The poverty debate must begin by recognizing the right of the poor to participate in the name of compassion and community, the poor are entitled to a decent minimum so they can care for themselves and their children.

3. Behavior Modification: A New Compact with the Poor. In order to help the poor should be based on "tough love," not uncondi-tional assistance. Benefits should be offered only to those who honor the social contract by behaving in socially acceptable ways.

The future of poverty in Oregon is bound by reason. The continuing publication presents three options for dealing with poverty.

1. Everyone Should Work: Everyone should have a responsibility to contribute to society. We must encourage work because that's the only effective way to fight poverty. Even those who don't want to work might find that they too can do something.

2. Oregon Care: People simply cannot work while caring for themselves and their family. They must have help so they can live in dignity and have their basic needs met. They must have access to programs that can provide them with the help they need.

3. Oregon Citizens' Welfare: a program that helps people live in dignity because we were treated with compassion rather than underhanded programs. We must address the causes of poverty within each family. Everyone in the family must be part of the solution.
New programs take aim at poverty
Innovative approaches improve government programs, seek greater public involvement

Tom Gentle

The Extension Expanded Food and Nutrition Education Program teaches low income families how to stretch their food dollars, make healthy food choices and prepare food safely.

22 Oregon State University Extension Service

Poverty trends continued from page 21 for Public Policy in Silverton. He points to Oregon voters raising the minimum wage and passing a cigarette tax to fund the Oregon Health Plan, and bipartisan political support for the Oregon Health Plan.

Are these actions evidence of a new resolve? A choice by Oregonians to use public policy and private energy and resources more aggressively to reduce poverty in the state? Only time, of course, will tell.
Volunteering your time and skills can go a long way toward helping those who are in need. Food banks can accept food that would otherwise go to waste. You can help agencies conduct and redistribute to the needy.

Volunteer Action Center, 2540 N.E. Riverside Way, Portland, helps sort and repackaged donated food. Without volunteer help, the Food Bank must turn away large food donations. Contact Ammi Ludwick, 503-282-0555, extension 258.

Lion-Benton Food Share, 545 SW 2nd St., Corvallis. Food Share can distribute up to 15 pounds of food for each dollar donated. Opportunities available to box donated food, glean crops, or hold food drives and fund raisers. Contact Colleen Merickel, 541-759-2645.

Southwest Oregon Community Action Committee, 2110 Newmark, Coos Bay, is looking for financial and other help to build a food warehouse serving 13 food banks in Coos and Curry counties. Contact Robert Moore, 541-588-7022.

Saint Vincent de Paul, various cities. Pack food boxes; make lunches; take telephone requests for food, housing, rental and utility assistance, transportation, medical prescriptions, furniture, appliances and clothing. Volunteers can join groups making home visits to determine what people need, or serve on boards addressing poverty issues. In Eugene, contact Rebecca Larson, 541-687-5820, ext. 121. In Portland, call 503-235-7837 or visit the Web site at rogue.northwest.com/svdp. To volunteer in other Oregon cities, look up Saint Vincent de Paul in the telephone book. For Oregon Center on Public Policy, P.O. Box 7, Silverton, OR 97381-0007. Help working families get money back from taxes. The Center has free publications describing federal and Oregon earned income tax credits and the Oregon Working Family Child Care Credit. Write to the address above, e-mail at ecofwp@ocpp.org, or call 503-873-1201. Available on the Web at www.ocpp.org/cfp.

Volunteer in the schools. Help a child stay in school, teach a youngster to read, be a “lunch buddy” to a child who needs a role model, or be a mentor for a high school student. To start, call the school where you’d like to volunteer. Ask the principal’s secretary about volunteer programs and how to get more information.

Oregon Safenet, 1-800-723-1338. If you don’t know whom to call about volunteer opportunities in your community, Oregon Safenet can put you in touch with your local information and referral service. Helpful hours are 7 a.m. to 7:45 p.m., Monday through Thursday, 8 a.m. to 5 p.m. on Friday.

Oregon Food Bank volunteers collect food at the Waterfront Blues Festival in Portland. Food drives are just one of many volunteer opportunities available to those who want to get involved in activities that benefit the poor.

Issues forum continued from page 21

4. Jobs Strategy: Moving Beyond Welfare. The welfare problem begins with the market labor, not the behavior and values of the poor. The jobs and wages available to millions of Americans are not adequate to keep them above the poverty line.

You can order the “From Welfare To Work” publication by calling 1-800-600-4060. The cost is $3.60 per copy, plus shipping and handling. A video is available for $6.50, and the publication and video cost $9.00. Ask for “From Welfare To Work.”


You can learn more about the National Issues Forum at the network’s home page: www.NIFI.org. Forums are initiated on the local level by civic and educational organizations. For information about starting a forum, write the National Issues Forum, 100 Comerica Road, Dayton, Ohio 45459-3777, or telephone 1-800-433-7834.

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This tabloid is available online at http://eesc.orst.edu/poverty
A PORTRAIT OF POVERTY IN OREGON

This publication explores a wide range of perspectives.

What's inside

Pages 2-5
Background on what it means to be poor

Pages 6-9
Articles that explore various causes of poverty

Pages 10-16
Stories about the demographics of poverty in Oregon

Pages 17-19
Articles describing the public agencies and private organizations that assist Oregon's poor

Pages 20-23
Articles discussing the future—trends and promising programs—and suggestions about how you can get involved