Twenty

percent of

children under

age five in

Oregon live

in poverty.

s 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."

Many are young children. 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



# Oregon's unseen poor

Homeless are most visible, but far outnumbered by working poor

Andy Duncan

The light turns red and you stop eye-toeye 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.

nd 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

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. (See "The best and worst of times," page 6.)

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.

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 although people on welfare who get even minimum-wage jobs have more money to spend than they did on welfare, families often remain poor. The article says this is because the state takes away childcare and other benefits as people move up the employment ladder and receive raises.

Jim Neely, deputy administrator of the Adult and Family Services Division of the Oregon Department of Human Services, which operates the TANF program, sees it differently. He says income increases significantly for people on welfare when they find a full-time job and that some people leaving welfare move into jobs that clearly take them out of poverty.

But Neely agrees that "for many, especially those with child care needs, raises from \$7.35 an hour to \$10 or \$12 an hour can actually result in reduced spending money compared to \$7.35 an hour (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.

About 96 percent of these are single parents and their children. More than 90 percent of the single parents

are women. Based on family size, they receive money for living expenses. They receive food stamps and a small percentage receives low-income public housing or housing assistance from a private organization. They also may receive some public assistance for childcare. Still, life for these Oregonians is much harder than some of us may realize. Imagine trying to care for your children and find work while wrestling 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 some people with jobs can't afford a house. Some are homeless even though they receive one or more types of public assistance. Maybe food stamps, a welfare check, or some kind of disability payment.

Other homeless people are pretty much without resources for a lot of reasons.

Some recently lost their jobs and economic footing because of illness, accident or downsizing and haven't reached out for help. 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 passing through. Consider the case of a man, woman and two small children seen hitchhiking at a freeway onramp 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 many homeless people are single. But a significant number are parents and children, including single parents who recently fled an abusive relationship and aren't yet receiving public assistance. Some are children and young adults fleeing from abusive family situations.

The working poor. People on welfare. The homeless. These faces of poverty are not the bloated-belly, 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 her kids adequately with love and discipline.

A mother and father occasionally skipping meals so the kids can eat.

Chronic malnutrition that reduces a child's ability to learn.

An elderly woman living frugally, choosing to have a cat instead of a telephone.

Children feeling like outcasts because of how and where they live.

Young adults on the street.
Single men and women living under bridges and in forest camps.

When they look at the poverty issue, some Oregonians see our robust economy, relatively low unemployment rate, and welfare reform, with its emphasis on moving people off public assistance and into the workforce, as extremely positive developments, reasons for optimism about the future.

But 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.

#### 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 in Texas 20 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 military wife. No college. We had kids aged two and five, a daughter and a son."

Thornberry recalls her feelings: Desperation. Failure.

Worthlessness. Anger.

"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 not care. And I felt an overall sadness for my children.

"We stayed with his relatives for a while after he left. We even camped out in our old house one night after we'd been kicked out of it. I tried to go back to school in Houston. But I realized I couldn't. So I got on a bus with my two kids and we rode to North Carolina where my parents lived. I remember ending up in the middle of the night in a bus station in Selma, Ala. That was the most scared I'd ever been in my life."

At her parents' home, she wondered what to do. Her parents weren't wealthy. Her dad was a farmer and her

mother had health problems.

"I went down to the welfare office and at first I couldn't get help there," she recalls. In assessing the situation, officials included her parents' income.

"The man at the employment office said because I only had a high school education I was basically worthless," says Thornberry. Finally, she got a job as a clerk at Kroger's grocery store, and \$25 a month in food stamps.

"We used to get by on some real interesting foods. I'd ration out green peas to add color to the macaroni and cheese. Eventually I bought a mobile home for \$1,000 and

rented a lot for \$25 a month. The mobile home leaked like a sieve. To keep the rain out I put a tarp over it and held it down with old tires. You can't find things like that anymore—lots for \$25 a month. Now the rent on one would cost \$400."

She worried about her children.

"My son stayed with my parents during the week. He felt abandoned," she says. Welfare helped with daycare for her daughter. "I only paid \$7 a month," she says. "Now the co-pay for that in Oregon (the recipient's cost under welfare reform) would probably be \$400 a month. I really didn't see the light of day until I got married again. 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 firewood 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 food 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 crisscrosses Oregon working with about three dozen gleaning groups that collect and package donated food from farmers' fields and food processing companies.

She prays 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 other kids, look down on poor children, she believes.

"Poor kids are growing up with a brand on them," she says. "It's a vicious cycle."



Sharon Thomberry, Oregon Food Bank gleaning coordinator, hopes to never face poverty again.

# Homelessness in Oregon Life on the streets

Tom Musselwhite

am a 49-year-old father of three, Vietnam era U.S. Navy veteran. Raised in a large, oldfashioned 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. I 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.

My workers' comp claim was denied because the state had recently enacted legislation disallowing preexisting conditions and I admitted to having pulled a muscle as a teenager.

I spent the next two years living in a \$200, 1965 Ford van on the streets of Eugene. No income, unable to perform regular physical labor, unable to professionally employ the skills I had developed, then denied Veterans benefits, I was also too proud to stand in line for food, handouts, or jump through the system's hoops designed to weed out fraud. By late 1993 I had become active in the Homeless Action Coalition and was making myself a regular presence at city hall.

Technically, I am still homeless, but thanks to a new law enacted by the city of Eugene I can live in a 12-foot travel trailer parked in the backyard of a local nonprofit.

Although my situation was dire enough, I think what bothered me most was seeing so many others who had simply lost all hope with no way out short of a miracle.

The following is based on my own experience, not particularly scientific, but generally confirmed by the research of others and myself.

Of the most visible "on the street" homeless, about one-third or perhaps up to fifty per cent, are suffering from mental illness.

Most authorities agree that of the mentally ill



His own experience with homelessness led Tom Musselwhite, Eugene, to work on behalf of the homeless.

#### Workshop simulates what it's like to be poor

Andy Duncan

person can't know what it's like to experience genuine poverty until he or she has. But try thinking of it as a dark honeycomb of tunnels. Confusing. Frustrating. No way out. That's the way I felt during a recent workshop.

The goal of the workshop, put on by the OSU Extension Service, was to give middle-income Oregonians a sense of some of the obstacles poor people face. About 40 of us, mostly from the Willamette Valley, converged on a room at the university. In a single hour we were supposed to get a sense of what it was like to be poor for a month (four 15-minute periods, each representing a week).

Our leaders assigned roles in a make-believe community. I was the 14year-old daughter in a poor, single-parent family. Other roles included retiree, single person in poverty, undocumented worker, banker, pawnshop owner, teacher, food pantry operator and welfare caseworker.

I didn't buy the approach. It seemed like a superficial way to try to teach Oregonians about an important issue. But I went to my assigned table.

"Somebody else be the mother. I was a single, homeless mom with kids in 1979. I've done this in real life," announced Sharon

Thornberry, a short, darkhaired woman sitting across from me. So Sharon became my younger brother and the third person assigned to our "family," Linda Lees, agreed to be the mother.

Our family received an envelope containing a description of our financial situation and some cash and bus tokens. The first 15minute "week" began.

Sharon and I found our way to school while our mother went off to take care of the necessities of life, armed with practical hints from Sharon such as "eating is a priority, so go to the food pantry before you try to sign up at the welfare office."

The situation consumed us quickly. Poverty, even simulated poverty, was hard, really hard, especially for our mother, Linda.

Before the second week was over, she was saying things like, "My children have to eat and have a place to sleep. I go here and I go there and back here and back there and I spend all my time trying to deal with those necessities. How do I find time to give the kids the other things a parent

At school, I was embarrassed. My family didn't have the resources that would allow me to participate in activities with other kids. By the third week, I began to care less whether I was a good student.

Here are a few observations from others who took part in the workshop:

"We worked just as hard

as we could but we always came out behind," said a person assigned the role of mother in a two-parent family. "We had good kids but they started going bad."

"A lot of these were struggles that all families face," said the father. "But then you add poverty to that."

"I didn't get to eat for the first week," said a person who had the role of a child. "My parents hardly came home from the welfare and unemployment and other offices. I felt like it was a cycle we couldn't get out of."

A woman given the role of a three-year-old explained how her mother dragged her from office to office. "It must be very hard on young children," she said. "You're living in poverty and in crisis.'

The man who ran the employment office said jobs were available, but he could see that many of the people who came to him were not qualified for them.

A school teacher observed that many poor children had a hard time getting to school and were hungry when they did get

Summarizing the comments in our "debriefing," people who had experienced true poverty said the simulation seemed to trigger some of the anxiety and frustration of the real thing. The rest of us felt we had had a tiny glimpse of how agonizingly difficult the real thing must be.

homeless-about half become homeless as a result of an existing mental illness-the other half become mentally ill as a result of becoming homeless. It is, after all, no small obstacle when your life circumstances change so dramatically that you suddenly find yourself without a bed, bathroom, cooking facilities, and forbidden by authorities to protect yourself 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 if looking for a distraction from their misfortune, and some just walking around and around in tiny circles mumbling to themselve

Another third of the most visible "on the street" sort have drug or alcohol dependencies. Like the mentally ill population, sometimes it is easy to believe that as many as fifty percent of the population we are talking about have a primary drug or alcohol problem.

These two populations tend to overlap each other. The dually diagnosed are those who are diagnosed with both a disabling mental illness and a substance abuse problem.

So far we have categorized, with a broad brush, sixty to seventy-five percent of the most visible of the homeless we see on our streets. Who are the other, more or less, thirty percent?

The Department of

Veterans Affairs maintains that one-third of all homeless are veterans. Many homeless vets have also developed substance abuse problems and some are mentally ill.

That leaves about twenty percent of our "most visible homeless" to sort into groups we can comfortably cubbyhole. Who are they?

Until recently, I felt rather comfortable with the above figures. I would have concluded by saying the balance of the homeless were:

-the disabled and elderlyretired who are 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

Today I am not so comfortable with that conclusion. Today I am confronted by more and more families, even just children on the street with no place to stay and a far cry from having

# Official government poverty line shows signs of old age

Tom Gentle

overty is generally defined in terms of the income needed to meet basic needs for food, housing, clothing and transportation.

But the notion of how much income is necessary differs significantly from one place to another. For example, if you live in a Third World country and earn less than \$1 a day, you're poor, according to the definition of poverty used by the World Bank.

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 related to a society's concept of a minimum standard of living. During times of great technological innovation, commonly accepted standards of living change rapidly, according to Gordon Fisher, program analyst with the U.S. Department of Health and Human Services.

Technology, he said, introduces new consumption items. At first only the rich may buy these items, but eventually "things originally viewed as luxuries—for instance, indoor plumbing, telephones, and automobiles—come to be seen as conveniences and then as necessities," Fisher said.

So what does it mean when the number of poor households with one car, a washing machine and dryer, a microwave oven and color television set is on the rise? 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 1969. It is heavily influenced by the standard of living that prevailed in the 1950s.

The official poverty line originated in the Social Security Administration where Mollie Orshansky, an economist, developed poverty thresholds, or income cutoffs, for different sizes of families. She based these thresholds on an economy food plan developed by the U.S. Department of Agriculture for lowincome families.

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, a 1955 USDA survey that found typical families spent one-third of their after tax income on food.

So she multiplied the cost of the USDA economy food plan (\$1,033) by three to arrive at \$3,100 as the minimum yearly income a family of four needed to get by. This became the poverty guideline for a family of four. Any family whose annual income before taxes fell below \$3,100 was 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 guideline of \$3,100.

Although Orshansky's poverty guidelines were not intended to be an official government measurement of poverty, they were given official status throughout the federal government in 1969.

At that time, Social
Security administrators and others estimated that the guidelines would be useful 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 criticisms:

The guidelines have never been updated to account for changing household consumption patterns. Families no longer spend one-third of their income on food and two-thirds on other basic needs.

#### Families no longer spend one-third of their income on food.

"Food now accounts for more like one-sixth of the family budget. Housing, transportation and utilities are much larger components of family spending," said Laura Connolly, an OSU

The guidelines fail to take into account the extra costs of two-earner families, such as clothing, transportation and, perhaps biggest of all, childcare. "The cost of child care was not figured in to the official guidelines because the typical family in the 1950s had one wage earner and a stay-at-home mother," Connolly said.

The guidelines do not recognize geographic differences, even though the cost of food, clothing and housing varies from state to state and within states. "In a high cost state such as California, the official poverty thresholds are probably too low. In a lower cost state, they are too high," Connolly said.

Oregon is both a high cost and low cost state. We generally have higher living costs west of the Cascades and lower costs east of the mountains.

In addition, the poverty measure does not take into account differences between urban areas, such as Portland and much of the Willamette Valley, where housing costs tend to be higher, and rural areas, where transportation costs are higher. "There are always trade-offs that are not reflected in the guidelines," Connolly said.

In practice, the poverty guidelines are not used in a uniform manner. Some major public assistance programs, such as Temporary Assistance to Needy Families, do not use them at all.

"The poverty guidelines look simple on paper, but in the real world they can be very complicated," said Terry Weygant, program manager at Community Services Consortium in Corvallis.

One of the programs Weygant manages determines eligibility at 125 percent of the federal poverty level, but allows deductions for such things as medical expenses and childcare. A related program is open to people who earn 150 percent of the poverty guideline, but does not allow any deductions. Thus, families who are eligible for one program may not qualify for the other one even though it might help ease their financial difficulties.

All of which raises the question, if the official poverty measure is as bad as critics say, why hasn't it been changed? The answer: an attempt at revision is under-

way. In 1992, Congress asked the National Research Council to look at alternatives to the current poverty guidelines. The Council completed its study in 1995 and recommended a number of changes, including:

Change the way income is measured by adding non-cash benefits such as food stamps and by subtracting taxes, work expenses (including child care), child support, and out-of-pocket medical expenses.

Replace the current poverty threshold with one based on current spending patterns for food, clothing and shelter.

Allow for geographic variation and update it every year.

The U.S. Census Bureau has developed 12 alternative measures of poverty based on the 1995 National Research Council report. These experimental measures attempt to reflect what today's poor must really spend on food, clothing and housing.

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 \$28,000, it will not be clear how the guidelines will be affected until actual changes are put in place.

Those changes will not take place soon. The White House said consideration of a new poverty formula needs "at least a couple of years more work," according to the New York Times.

#### Homelessness continued from page 4

any place to call home.

And what do they endure? Not just predation from drug dealers and an underground sex market, but also abuse by the very policing authorities which had-oughta-be protecting all of us.

They are doused with gasoline and set on fire. Awakened in the middle of the night by vicious gangs and beaten, raped, tortured, or murdered. They are run down and run over by people driving vehicles, and chased away from commercial districts by profit-minded entrepreneurs. Even the religious organizations whose

duty it is to provide relief to the unfortunate are often forbidden to do so, even if they wanted to.

Now that we have sorted and characterized the "most visible homeless" let us ask what common feature they share? It is not chronic alcoholism, drug abuse, or mental illness.

The common thread between all is poverty.

Editor's note: Tom
Musselwhite is the editor of
'olkos, a newspaper published by
Project Recover to serve the
homeless and low income
population of Eugene and central
Lane County.

#### **1999 Federal Poverty Guidelines**

Size of	48 Contiguous	Approximate
Family	United States and D.C.	Hourly Income*
1	\$ 8,240	\$3.96
2	\$11,060	\$5.32
3	\$13,880	\$6.67
4	\$16,700	\$8.03
5	\$19,520	\$9.38
6	\$22,340	\$10.74
7	\$25,160	\$12.10
8	\$27,980	\$13.45
For each addition	onal	
person, add	\$2,820	\$1.36
19 14 10 10 10		Same and the same

\*Assumes a full-time job for a full year (2,080 hours). Source: Oregon Center for Public Policy, 1999.

Technically, there are two slightly different versions of the federal poverty measure, "thresholds" and "guidelines."

Poverty thresholds come from the U.S. Census Bureau and are used to calculate the number of people in poverty. So when we are told that more than 400,000 Oregonians are poor, this figure is based on official poverty thresholds.

Poverty guidelines come from the U.S. Department of Health and Human Services and are used to determine who is eligible for many federal, state and local poverty programs.

When people talk about the "federal poverty level," or "federal poverty line," they could be 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.

# PART 2

# 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



Jobs lost in timber and natural resources have been replaced by service sector jobs, including retails sales, food service, tourism and clerical positions. Often these jobs fail to pay a living wage.

# The best and worst of times

Tom Gentle

What's going on?

On one hand, we have a strong economy, the lowest unemployment rate in years, and declining welfare numbers. On the other hand, food banks report an alarming increase in the number of people seeking emergency food.

hen 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 causes: changes in the economy, high housing prices, lack of public transportation and inadequate 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.

What was true in southern Oregon is also true for the entire state. Oregon's economy is undergoing a basic long-term change. The once dominant natural resource-based economy, especially timber, has declined significantly while high tech has flourished.

Employment in the lumber and wood products industry dropped 35 percent between 1986 and 1996, according to

a report by the Oregon Employment Department. Declining timber supplies and mill closures caused many job losses—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 increase 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, OSU 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 88 percent between 1990 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 2bedroom 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 Oregon renters 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 National Low Income Housing Coalition found that full-time workers needed an hourly wage of \$7.08 to afford a 1-bedroom apartment in Umatilla County, \$9.17 an hour for a 2-bedroom unit.

## Lack of public transportation

Public transportation for the poor isn't about airports and Amtrak. Rather, it's about getting around locally—from home to work, to shopping, to school, to medical and other services. Outside the main metropolitan areas in the Willamette Valley, getting around locally requires a car.

Lack of public transportation is a major problem for the poor in central Oregon, according to Terry Lynch, former director of the community action agency in that area. "A lot of people can't afford to live in Bend even though they work there. They depend on an automobile. Many single moms drive an old car with no insurance to motel jobs in Bend," he said.

Klamath Falls is the only city east of the Cascades with a fixed route bus system that serves surrounding communities, according to Robin Phillips, intercity transportation program manager for the Oregon Department of Transportation.

Other eastside cities—such as Ontario, Baker City, Burns, and John Day—have limited public transportation, many of them dial-a-ride in nature. These systems may operate only a few days a week, offer service only within the city and not to outlying areas, or serve only the disabled or elderly.

None of them, says
Phillips, is capable of providing for daily commuting due
to lack of funding, public
interest, or organizational
focus. There are no government-funded public transportation programs aimed at the
poor like there are for
seniors and the disabled,
according to Phillips.

# Lack of education and work experience

Jeralyn 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 who need jobs don't have 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 escaping the ranks of the poor. But the solution is not as simple as sending people to community college or vocational training. High tech companies in the Portland area offer training programs, but many of the poor need to improve their basic literacy skills—reading, writing, arithmetic-before they get technical training, according to Ness.



Others need help in building their self-esteem and confidence, according to Marty Young. For many years, Young conducted a confidence clinic for women on welfare in southwestern Oregon. Many of the women were teen parents, lacked a high school diploma or any college experience and, following a divorce, had no work experience to fall back on.

These women often showed poor judgment and thought they deserved less in life, according to Young. "Teaching them how to dress, get through a job interview and show up for work aren't enough if they don't feel right about themselves and engage in self-defeating behavior as a result," Young said.

Equipping the poor to enter the job market is no longer enough, according to Denny Newell. The current approach, he said, is to place the poor in a job, then turn to help others without a job. "In the future, we need to help people hold on to their jobs and get promotions that bring higher pay and benefits and move them beyond the working poor," he said.

#### Why are some people unable to earn a living?

Tom Gentle

ow 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.

Bradley Schiller, an economist at American University, groups them into three types:

Explanations that focus on the personal values, attitudes and behavior of the poor.

Explanations that point to larger societal or institutional causes that restrict opportunities.

■ 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 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 among 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 for the youngster who grows up to be a rock star. A college education. The burger flipping job that leads to a career as a chef. According to the human capital explanation, poverty persists because the poor lack the appropriate education or work experience—the human capital—to get 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 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. Moreover, statistics show 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 poor as victims of economic or social forces beyond their control. Economic explanations describe the poor as casualties of capitalism and the free market system. Proponents of this explanation point to the widening gap between the haves and have-nots, the increasing numbers of the poor in spite of low unemployment, and the failure of the economy 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 continuing racial and ethnic discrimination in education 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. One out of two marriages now ends in divorce. Births to unmarried mothers jumped from 16 percent in 1980 to 31 percent in the early 1990s. Both trends, divorce and unmarried motherhood, shift many children into 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 education and assets—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 create a victim mentality that provides an excuse for the poor to expect others to help them rather than helping themselves.

#### Blaming government and the welfare system

"I have found out in later

years (that) we were very

America is that we didn't

Dwight D. Eisenhower on his childhood

poor, but the glory of

know it then."

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 have destroyed work incentives and caused the poor to become dependent on government

handouts. As a result, the population 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 men to leave their families. Thus, the rise in families headed by females is one consequence of misguided welfare rules.

Tax policies also hurt the

working poor, according to a paper published by the Cascade Policy Institute, a free market think tank in Portland. In "Unintended Consequences: How Government Policies Hurt Oregon's Poor," author Martin Buchanan points to payroll taxes (Social Security, Medicare, workers compensation and others) and indirect taxes (property taxes passed on in rent) as "the greatest burden on the working poor."

While all the debate is focused on the personal income tax, writes Buchanan, scant attention is paid to these other taxes. He recommends they be included in the debate and proposes that Social Security, Medicare and unemployment insurance be converted into savings accounts owned by individual employees.

Furthermore, government-imposed wage and benefit requirements, safety regulations and hiring practices have raised the cost of labor. As a result, businesses resort to technology and mechanization as a substitute for employees, and use temporary and part-time workers who do not receive employee benefits.

Critics of this perspective say the economy is to blame for the rise in poverty and that government programs have kept it from rising even higher.

Each of these broad explanations "attracts people who hold different ideologies, political values, and economic interests," writes Gene Summers, a rural sociologist at the University of Wisconsin. Because poverty has many causes, each explanation contributes to our understanding of the issue. But none of them sufficiently explains the complexity of poverty.

# Poverty research

Andy Duncan

hat 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

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

Myth: People are poor because they refuse to work.

Finding: The majority of Oregonians in poverty work. At least one parent works in almost 70 percent of poor families with children. (The

# **Education plays a key role in poverty**

Andrea Dailey

ew circles are as vicious as the one that loops together education and 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.

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 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-financed version try to make up for these shortfalls. However, funding in Oregon currently limits participation to less than half the 17,000 eligible 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 home life 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. Consider, 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 rate 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 state Department of Education.

The department's study shows that most students who dropped out already had fallen far behind grade level, often as much as 2 or 3 years, which signals that important turning points are as likely to be found in the dropout's elementary and middle school years as 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 depend on public assistance programs, 6 times more likely to be unwed parents, and 3.5 times more likely to be arrested. Single parenthood, especially among teens, and having a police record are large barriers to employment and, therefore, big factors in poverty.

The rest of the state is poorer, 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, nearly 3 times as high as whites in 1997-98, and African Americans have the next highest, 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

Early academic success is a key to staying out of poverty in later life.

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 studentand connecting with him or her in meaningful ways—is key to educational success at every level, say educators around the state. They include Juanita Fagan, principal of Williams Elementary School in Williams, about 25 miles

south of Grants Pass. Fagan's school, whose poverty level is 76 percent, heads 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.

legislation, directs special funding to schools with high poverty rates. In the 1998-99 school year, slightly more than half the public elementary,

continued on page 9



### Poverty Research continued from page 7

publication goes on to say that for the working poor, parttime, temporary and low-wage work does not pay enough to support their families above the poverty line.)

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

"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—reflecting 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 obsolete 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

In 1996, a voter-passed initiative approved several increases in the state minimum wage, taking it from \$4.75 a 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 stave off poverty. For example, the federal poverty guidelines for a

Oregon's high tech economy favors people with a high level of education and good technical skills.

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 Ayre, 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, including those recently off welfare, when the state runs into its next significant economic downturn.

Another Oregon State University faculty member, family studies professor Clara 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 female-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 older minority woman has been called the economic 'triple whammy.'

"Poverty, especially prolonged poverty at an early age, puts children at great 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, 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 \$67 million in Title I money.)

Williams Elementary wasn't always a success story. In fact, for much of Fagan's 15-year tenure as principal, she and her staff believed that high poverty went in lockstep with low achievement. "We'd say, don't expect much because look what we have to work with," says Fagan.

Then, with the first Title I money 4 years ago, Williams Elementary undertook 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 culture—we don't want to—but we do want to show that we care and that we set high expectations," Fagan says. "We try to create a family here for these kids, and we teach the three R's: respect, responsibility, and resilience."

In 1998, 95 percent of Williams students met or exceeded state achievement goals. From 1995-1998, Williams students consistently have tested at the top of their district and in 1998 also beat the scores of the much larger Grants Pass district.

It's the kind of success that Title I was designed to produce, says Carol Talley, Title I specialist with the Oregon Department of Education in Salem. "Some kids can overcome poverty, and some schools have gotten better at helping more of them do it, but they are the notable exceptions. (Title I) says we'll provide the money to help, now you base what you build on these successful examples."

Even the best education from kindergarten through high school, however, doesn't by itself keep poverty at bay in adulthood. For most women and men, a college degree makes the difference between merely getting by and being on a solid footing financially. For example, according to the National 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 stagnant earning rates of high-school graduates.

Nevertheless, few people use college as a ticket to escape poverty. Only 7 percent of students from the bottom quarter of the economic scale get a bachelor's degree, compared to 51 percent of students from the top quarter.

The sharp increase in college costs since 1980 and the big drop in subsidies for low-income students have a lot to do with that. Mainly

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 measured in tens of thousands of dollars.

Economists 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 in 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 strategy.

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 lowwage, dead-end jobs they're able to get, yet they don't have what it takes to get better jobs.

Though job training unquestionably has helped many of those who received it, 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 percent of those in poverty, notes Jeff Davis of The Oregon Consortium, which administers a workforcetraining program in 23 rural Oregon counties.

For another thing, even after receiving some training and a full-time job, a worker earning minimum wage still is hovering around the poverty line. And, getting a job is only part of the exercise.

Keeping it for longer than a few months is the more difficult part, especially for the chronically unemployed whose burdens often include substance abuse, mental or physical disability, and, obviously, no experience at sticking with a job.

# Minimum wage fails to keep up

Andrea Dailey

ost stories of poverty focus on the players—the people who are poor. We hear a lot less about how laws and policies set the stage on which poverty plays out. Minimum wage laws are a prime example.

Massachusetts passed the first minimum wage law in 1912. Oregon's passed a year later. These laws were aimed mainly at sweatshops where women and children toiled for pennies a day. The philosophy and coverage of minimum wage laws gradually evolved so that, by the 1950s, most laws reflected the idea that all workers should be paid a fair wage.

If "fair" means "not poor, technically speaking," then for a time the laws succeeded in their aim. For example, as the graph below shows, during the late 1960s and most of the 1970s one adult Oregonian working full time at minimum wage could support himself or herself and two dependents with income a little above poverty level.

For most of the past 20 years, however, minimum-wage earners steadily lost ground. In Oregon, it's only

since 1996, when the latest round of minimum-wage increases began, that those at the lowest end of the wage scale have seen their real earnings improve.

Even so, the sole provider earning minimum wage in a three-person family in Oregon today is \$360 a year below the poverty line. In a four-person family, that income would fall \$3,180 below the line—despite the fact that Oregon's minimum wage, \$6.50 an hour, is second highest in the country.

Few Oregon workers—about 4 percent—earned less than minimum wage in the first quarter of 1999, according to the Oregon Center for Public Policy. About 9 percent earned from \$6.50 to \$6.99 an hour.

The inadequacy of minimum-wage levels is prompting an increasing number of city and county governments, including Multnomah County and the City of Portland, to set "living wage" requirements for employers who contract with them. In the case of Multnomah County, janitorial and security-service contractors must pay their employees a combined wage

#### Do the poor pay taxes?

any believe the poor are a drain on taxpayers. But in fact, the working poor in Oregon pay more of their income in taxes than the richest Oregonians, according to the Oregon Center for Public Policy. A 1996 study found that families in the lowest fifth of the income range paid 10.8 percent of their incomes in state and local taxes compared to families in the top 1 percent, who paid 7 percent in those taxes.

Half the income-taxing states, including Oregon, levy tax on incomes below the poverty line. In 1997, when the poverty line was \$16,405 a year for a two-parent family of four, Oregon income tax liability started at \$14,000. At that level of taxable income, the family owed \$240 in state income tax.

The working parent(s) also paid federal Social Security tax and state unemployment tax. If they drove 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.

and benefit package of \$9 an hour and must give cost-of-living increases annually.

But is that really a "living wage"? No, it's not, according to a 1999 study by the Northwest Policy Center and the Northwest Federation of Community Organizations. In a higher-cost area of Oregon like Multnomah

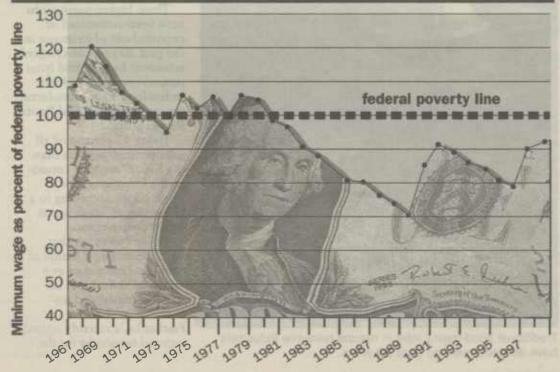
County, the living wage for a single adult is \$10.36 an hour, the study says. For a family of four in which one adult works outside the home, it's \$14.34 an hour.

In lower-cost areas such as the eastern counties, the living wage for a single adult is \$9.45 an hour. For the sole provider in a family of four, it's \$13.32.

Living-wage 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 calculations provide only a modest standard of living. For example, housing for a single adult and two children is assumed to be a twobedroom apartment priced in the lower half of the rental scale. The food allowance is pegged to the federal government's "Low Cost Food Plan."

About half of all job openings pay less than the "living wage" for a single adult, the study found. Fewer than one-quarter of job openings pay the living wage for an adult supporting two children.

### Full time minimum wage falls below poverty line



# 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



Thirty percent of Oregon households headed by single women such as Pamela Moore, Lebanon, fall below the federal poverty guidelines. Even with training and new job skills, many of the poor have difficulty making ends meet.

# 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.

he 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 ten 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 12.6 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

Vocatory Valuit Contin

Traditional good-paying jobs in natural resource industries have declined over the past 20 years.

housing costs to some of the highest in the nation.

Oregon ranked 13<sup>th</sup> among the states in the cost of existing homes and 17<sup>th</sup> 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 higher-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 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 \$97,589. 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.

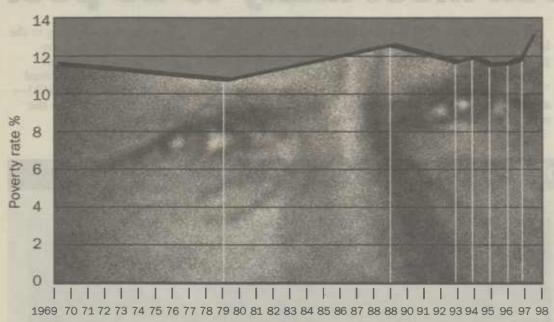
A former bartender,
Pamela sought help from the
Lebanon Jobs Program after
separating from her husband
and facing the prospect of
supporting two teenage
daughters.

"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.

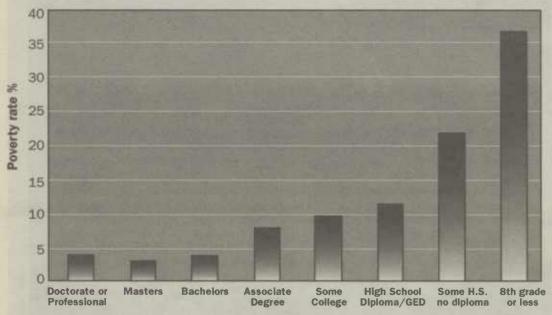
"I promised my children," she said.

### **Poverty rate trends**



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.

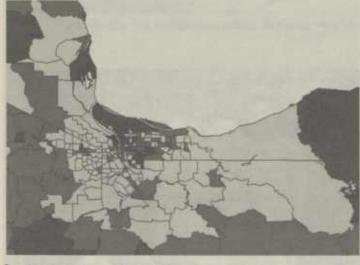
# **Poverty and education**



Level of education completed

Statistics showing the connection between formal education and poverty lead to an obvious conclusion: The more education you have, the less likely you are to be poor. Statistics are based on the 1998 Oregon Population Survey.

### Poverty rates by geographic area



Portland and the northern Willamette Valley



The lightest areas on the maps have the lowest poverty rates (under 8.4 percent). The medium gray areas have poverty rates of 8.4 to 14 percent.

Dark gray areas have poverty rates above 14 percent.

# Suburbs thrive; cities, rural areas fall behind

Theresa Novak

he 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

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 the sake of comparison, 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 profile data 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, 95 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.

Frank Harkenrider, the long-time mayor of Hermiston, said the average annual wage in his 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."

# Women and children most likely to be poor

Carol Savonen

oth men and women, young and old, experience poverty. But compared to men, more 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 excessive 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 in 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 moms 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 man earns, an Oregon woman earns 69.6 cents. Nationally, women earn 72.3 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 for women. According to the Wall Street Journal, the average monthly Social Security benefit for retired women in 1995 was \$621—almost \$189 less than the average paid to men.

#### Most poor people don't stay that way

Theresa Novak

any know her face. Few know her story. Yet more than 60 years after Florence Thompson's careworn 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 Ganzel.

Ganzel wrote:

"Displaced from her home in Oklahoma in the early 1930s, 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."

Dorothea Lange of the Farm Security Administration photographed Florence as part of a government project to document migrant work 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. At the time, she was pregnant with her sixth child.

When her photograph appeared in the local newspaper, the public poured out compassion to the farm workers,

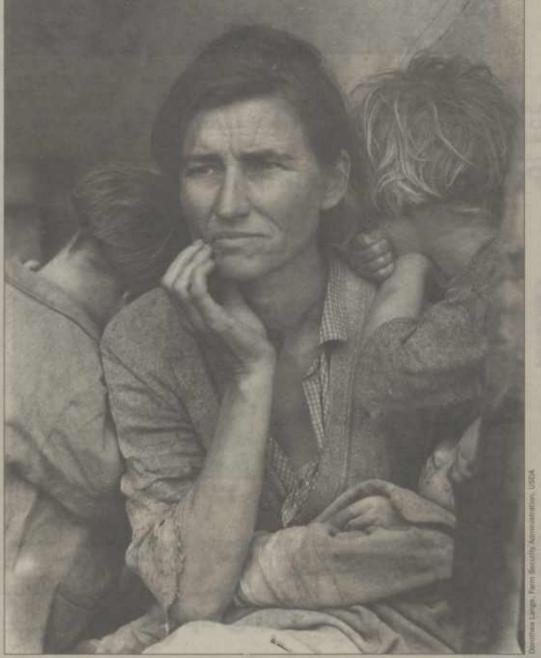
bringing food and offers of work.

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 and her face had lost that haunted look.

Although her life became financially secure, Florence never forgot how it felt to be dangerously poor. She didn't feel comfortable in a regular house. She moved back into a mobile home. She wanted to have wheels under her, in case life took another bad turn. It never did.

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.



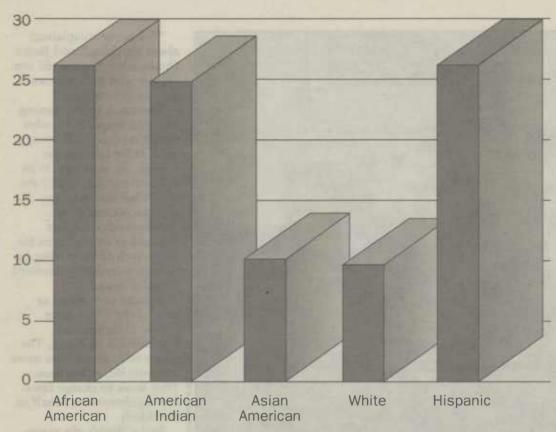
This photograph of Florence Thompson, taken in 1936, symbolized the widespread poverty of the Great Depression.



Forty-three years later, Florence Thompson had escaped poverty. However, the effects of her experience stayed with her and influenced how she lived in her later years.

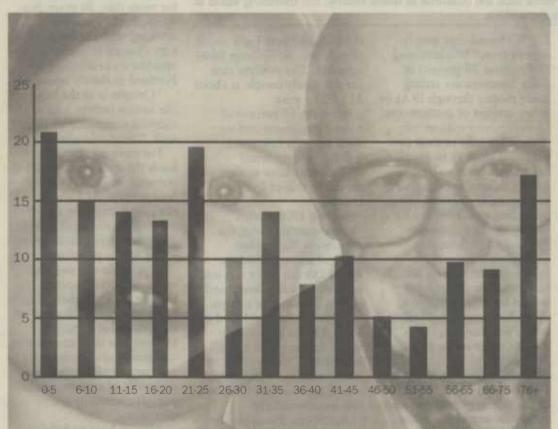
THE QUEE BOWL DRIVE

### Poverty rate by race, ethnicity



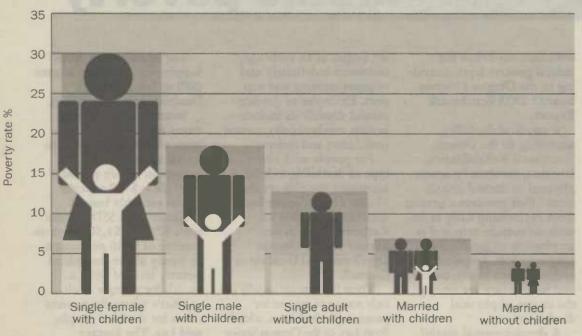
Statistics are based on the 1998 Oregon Population Survey.

### Poverty rate by age



Statistics are based on the 1998 Oregon Population Survey.

# Poverty by household



Statistics are based on the 1996 Oregon Population Survey.

# Oregon's children and poverty

Carol Savonen

ach 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 23<sup>rd</sup>. 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 33 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 73 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 teenage 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

n 58 years together, Francis and Tom Pickett have never thought of themselves as poor.

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 and handsome. We just knew how to manage."

At 93, the Picketts still live on their own in a modest apartment near the Corvallis library.

For a long time they beat the odds against the single biggest factor that transforms a financially comfortable 65-year-old into a destitute 85-year-old: Time.

"A lot of people become poor just because they outlive their money," said Becky Weidanz of the Governor's Commission on Senior Services.

Many recently retired Oregonians start off financially secure because they are supported by a combination of savings, pensions, Social Security and other assets. Many still enjoy good health at 65 or 70.

In contrast, people in their late 70s and beyond often have had their assets eroded over time, especially by medical expenses. Among this group, poverty rates are higher than among people who are more recently retired.

So it was with the Picketts. Francis Pickett's work as a teacher brought her limited Social Security and pension benefits. So when a lifetime of heavy work sent Tom to the hospital 12 years ago for back surgery, the Picketts 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 with gratitude-and a few qualms.

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

With the future of Social Security uncertain, the Picketts are concerned about what will happen when their 55-year-old daughter reaches retirement age. It is a concern shared by a nation that anticipates an enormous drain on Social Security and Medicare and Medicaid funds when the large population born between 1946 and 1964 reaches retirement age.

"With the number of elderly Americans set to double by 2030, the baby boom will become the senior boom," President Bill Clinton said in his 1999 State of the Union Address.

"Today, Social Security is strong," Clinton noted. "But



Tom and Francis Pickett of Corvallis face the dilemma of many elderly: the dwindling value of their retirement income as they grow older.

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 counting on its continued availability. Wiedanz said it is a common myth that many Baby Boomers are establishing Individual Retirement Accounts (IRAs) so they won't need to depend solely on Social Security for their post-retirement income.

"We found that simply wasn't true," Wiedanz said. Only about 10 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 year for a single person over 65—about \$640 a month. The poverty rate for an elderly couple is about \$11,000 a year.

How do 17 percent of older Oregonians 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.

Accustomed to being the head of her family, not a dependent, Evelyn didn't want to ask her children for help.

"She never complained about anything," said James Duncan, her 55-year-old son. "It just wasn't done when she was growing up."

Duncan, a former Boeing engineer, helped his mother obtain medical and housing benefits for low-income seniors. She now lives in an elder care facility where she enjoys her surroundings. As Duncan became more familiar with the effort required to secure basics for elders such as his mother, he became increasingly involved in senior issues.

Duncan now serves as head of the 17-member Portland/Multnomah Commission on Aging. The group helps seniors live more comfortable, secure lives. They work to change laws and regulations on behalf of the elderly.

Becky Werhli, the executive director of Elders in Action, said the nonprofit agency has served the greater metropolitan area of Portland as a publicly funded agency for more than 30 years. For example, the agency is working with the Portland City Council to preserve apartments in downtown Portland as elderly housing.

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

For example, Oregon leads the nation in providing 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 dental and medical expenses on their tax returns.

Duncan said increased activism by all Oregonians on behalf of seniors would pay off eventually for everyone.

"We all have to help on this," he said. "We're all getting old."

# Disability and chronic poverty

Bob Rost

hronic is not a happy word. It usually describes a condition of misery that just won't go away. So it is in the case of chronic poverty. People mired in chronic poverty struggle through long periods of their lives with meager resources.

Chronic poverty is often a fact of life for individuals with physical disabilities and mental disorders, and for people with alcohol or drug problems.

Many work to support themselves as best they can. However, 22 percent of Oregonians with a physical disability live in households with incomes below the federal poverty level, according to the Oregon Progress Board's 1998 Benchmark Report.

A physical disability, according to the Oregon Vocational Rehabilitation Division, involves "a severe physical or mental impairment" that prevents a person from performing daily tasks without outside help and is an obstacle to getting and keeping a job. Amputation, arthritis, burn injury, cancer and head injury are among the causes of physical disabilities.

A developmental disability, unlike a physical disabil-

ity, begins at an early age, continues indefinitely and requires training and support. Examples of developmental disabilities include autism, cerebral palsy, mental retardation and epilepsy.

For people with either type of disability, federal assistance benefits are an absolute requirement for survival, according to Katherine Weit, policy advisor for the Oregon Developmental Disabilities Council.

These benefits are usually the only source of income for people with disabilities, added Scott Lay, of the Oregon Senior and Disabled Service Division.

The benefits come from Supplemental Security Income (SSI) or Social Security Disability Insurance (SSDI).

Strict eligibility requirements for SSI put this program off limits to all but the lowest income levels. The maximum benefit available from SSI is \$500 a month.

The monthly benefit available from SSDI ranges from \$200 to \$1,500 with an average of \$730 per month, or barely above the federal poverty level of \$687 a month for a single adult.

That's where the poverty starts for disabled people, said Lay. The average monthly SSDI benefit of \$730 is often the only income they have, he said.

Medicaid benefits can help pay medical costs, but individuals with incomes greater than \$500 per month have not been eligible for Medicaid under longstanding rules governing the program.

"Disincentives are the big issue surrounding disabled people in chronic poverty," said Weit. "If they need constant help with the activities of daily living, such as dressing or bathing, or they have high cost medical needs, getting employment and receiving the minimum wage will actually put their benefits in jeopardy.

"When they go to work, they lose their SSI, SSDI and Medicaid benefits, all of which require a lengthy application process to get in the first place," Weit said.

In effect, the problem is that you have to be in poverty to get assistance and you have to remain in poverty to keep the benefit, she said.

"People with disabilities who are thinking about going to work have to consider how much money they will lose by getting a job," said Lay, former chairman of the Oregon Disabilities Commission. He's had first-hand experience with this type of situation.

Lay became a quadriplegic following a swimming accident in 1969. He needs the help of an attendant at a cost of \$1,500 a month. He covers that expense with Medicaid benefits, but up until recently Lay risked losing the benefit if he earned more than \$500 a month, according to regulations governing recipients of Social Security disability income.

In an attempt to address the work disincentive issue, Congress modified the eligibility standards for Medicaid in 1997. In turn, the Oregon Department of Human Services developed the Employment Initiative program to test a more flexible way of allowing people with disabilities to go to work.

Now, physically disabled Oregonians can earn up to \$3,500 a month without risking loss of Medicaid benefits. And in some cases, they can earn more than \$3,500 a month and still qualify for Medicaid under the Employment Initiative.

"Oregon is about the only state that has tried to develop a program like the Employment Initiative that will allow people to be employed up to a fairly high level of income and maintain their Medicaid benefit," Weit said.

In addition, new federal legislation, known as the Work Incentives Improvement Act, has passed the House and Senate and been signed into law by President Clinton.

The new law will prompt many of the disabled to polish their resumes and prepare to enter the job market.

#### **Mental Illness**

Others who frequently fall into the chronic poverty spiral are those individuals suffering mental disabilities such as depression, schizophrenia and manic depression.

"A big problem is that psychiatric illnesses are not covered well by health insurance," said Mary Alice Brown, director of the Laurel Hill Center, a psychiatric rehabilitation facility in Eugene.

"There is usually a dollar limit on insurance coverage for these illnesses. When it runs out, families who are involved end up paying out of pocket," she said.

The onset of mental illness usually occurs in late adolescence, around college age when individuals are just

coming into adulthood, Brown explained.

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

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 alcoholism or habitual 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 Northwest 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 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, she 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 debilitation 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 or she is fired."

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

"Their health or mental state becomes impaired, and they end up getting hurt or breaking laws," Decker said. "Then they have the expenses of paying for health care or paying fines, or possibly serving time in a

correctional institution."

Even though the troubles that accompany drug and alcohol addiction are daunting, Decker says prospects for recovery are good if help is available.

"There is ample proof that treatment for individuals suffering from chemical dependency is effective," said Decker. "The problem is that we're seeing a reduction in the availability of treatment while the need continues to grow."

According to Decker, publicly funded resources for treatment of chemical dependency have declined over the past 15 years, and insurance companies have reduced coverage for problems related to chemical dependence.

"If individuals suffering from drug and alcohol addictions can get into recovery programs, they can become viable citizens,"

Decker said.

# Poverty and minorities

Theresa Novak Carol Savonen Andrea Dailey Bob Rost

Ithough Oregon's population remains overwhelmingly white, the state's minority population has grown in the 1990s.

About 88 percent, or 2,873,000, of Oregon's 3.3 million residents are white, according to July 1998 population estimates by the Oregon Employment Department.

Hispanics, Asians, African Americans and Native Americans make up the other 12 percent, or roughly 400,000 people.

Although small in total numbers, Oregon's minority population experiences much higher rates of poverty than whites. (See graph on page 13.) These high rates of poverty can lead to the mistaken notion that poverty is primarily a minority issue. In terms of absolute numbers, more than 300,000 white Oregonians live below the poverty line compared to slightly under 100,000 minority residents.

The reasons people live in poverty are remarkably similar, regardless of their race or ethnic background: lack of education, a devastating life experience, lack of family support and health problems are some of the primary reasons people fall into poverty.

But according to representatives from Oregon's Hispanic, Asian-American, African-American and Native American populations, racism is a continuing factor in keeping their poverty rates up to twice that of Oregon's white majority.

Hispanic

About 200,000 Oregonians are Hispanic, according to 1998 population estimates by the Oregon Department of Employment. About 27 percent, or 54,000 of them, live below the poverty level.

Almost a third of Oregon's Hispanics have no health insurance. They earn about half the average state per capita income. This forces many young Hispanics to drop out of school to find jobs to help support their families

"With a great supply of low-paying jobs in the state, what would you do if you were poor?" asked Maria Elena Campisteguy-Hawkins, the executive director of the Oregon Council for Hispanic Advancement. "Work or go hungry? Sometimes it takes both parents and kids working to support a family in Oregon at low wages."

The education system is not friendly to Latinos, added Chris Santiago Williams, director of Oregon's Commission on Hispanics.

"The dropout rate—as high as 20 percent in some counties—is a sign that something is not going right out there with Latinos in the school system," he said. If you ask the teachers, they say that Latino students don't care about school. But if you ask the students, they want help. They say there is a lack of bilingual, bicultural curricula in the schools...(The students) lack role models and encouragement."

said that unless the school

Campisteguy-Hawkins



Scott Lay, physically disabled since 1969, works for state government in Salem. New federal laws eliminate the disincentives that prevent many of the disabled from going to work.

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 make much of Oregon's agricultural bounty possible.

Oregon doesn't have reliable records of the actual numbers or vital statistics for 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 OSU master's graduate, 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."

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 associ-

ates-below-grade performance in school and high suspension and dropout rates—also affect African Americans far out of proportion to their numbers 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 48-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, \$13,000 a year less for college graduates and \$6,000 a year less for highschool graduates—which increases their risk of being pushed into poverty if things go even just a little bit off track.

Perhaps most discouraging, the core of "misery measures" that pertains to African Americans hasn't 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 Multnomah County Board of Commissioners. "We isolate [the poor] in all ways, and we foster their dysfunction by treating them poorly. We see that play out in our value systems: we say we're well, they're sick. We see in it our public-policy planning: we tend to plan for and around poor people but not with them.'

Education and training, including cultural-sensitivity

training, should be top priorities in antipoverty programming, says Cornetta Smith, executive director of Albina Ministerial Alliance in Portland, whose organization offers a broad range of social and job-related services to low-income and poor people. Training should not be a one-way exercise but rather an exchange: employers and prospective employees should learn about each other's cultures and expectations, about job and work ethics, and how to balance family and job responsibilities.

In working with the poor, says Smith, "the first thing you have to know is the poor do want to get out of poverty. But they have to know that their helpers are peers, that there's common ground here and we all bring something to the table. The people in poverty and of color are a very important piece of what makes it all work as a city, a state, and a nation."

#### **Native American**

Native Americans in Oregon have the state's highest overall poverty rate, 29.4 percent. Given this high rate of poverty, it's obvious that constructing gambling casinos hasn't worked in bringing Oregon's 40,700 Native Americans out of poverty.

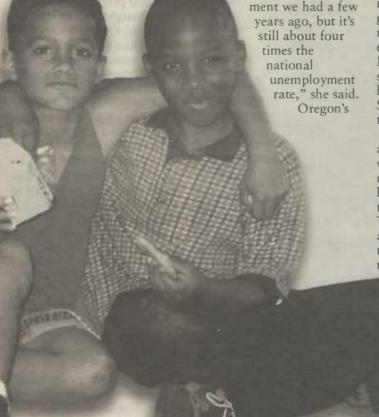
"The idea that the casinos have made all Native Americans rich is a myth," said Gary Braden, executive director of the Native American Rehabilitation Association NW Inc. in Portland.

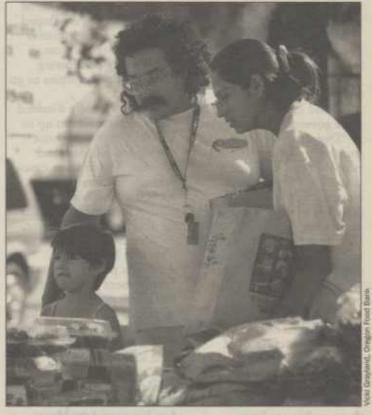
The unemployment rate among members of the Confederated Tribes of the Umatilla Indian Reservation remains about 20 percent despite the tribe's Wildhorse Casino, said Debra Crosswell, the tribal public affairs manager.

"That's down from 40

percent unemploy-

Oregon Food Bank





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 Burns 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 29 percent who are in poverty often have not had access to training and education programs.

"The kind of salaries where you could get a manual labor job and make a reasonably good living are gone. Many of the jobs now require knowledge of electronics and computers. Most of the tribal membership in the labor force don't have those skills," said Jim St. Martin, tribal manager of the Burns-Paiute Tribe.

Tribes with no land base and few resources are even worse off. Tribal members receive a share of timber harvesting or casinos only if they live on the reservation. These shares seldom amount to 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

A 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 rate 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 1998 Population Reference Bureau Report titled 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.

# PART 4

# WHO'S DOING WHAT?

"Not everyone has the education and background to keep up. Not everyone can run a computer."

Mayor Frank Harkenrider, Hermiston

# A brief history of public policy

**Bob Rost** 

1601



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.

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



Congress passed a measure providing for assistance to the mentally ill. President Franklin Pierce vetoed the measure, believing that the Constitution did not give the federal government authority to distribute "public charity."

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



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

1933



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

1935

President Franklin D.
Roosevelt began efforts to
pass the Social Security Act,
which provided old age
insurance and old age
assistance. This act and
several similar laws became
collectively known as the
New Deal, under which the
federal government, for the
first time, directly assumed
responsibility for the economic
security of U.S. citizens.

1940s, 1950s



During this period many people began to accept the notion that poverty had largely disappeared from the United States. This thinking was bolstered by John Kenneth Galbraith's "The Affluent Society," a best-selling book of the time.

1962



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 retrain heads of families displaced by technological and economic change. The act provided a subsidy to trainees.

1964



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.

1964

The Job Corps was created to provide job training to older youth and young adults, often in the building trades.

1965

President Johnson approved the "Medicare" amendments to the Social Security Act, which were intended to provide adequate health care to older citizens.

1969



President Richard Nixon sponsored the Family Assistance Plan, which was to provide job training and a guaranteed family income for the poor. However, the plan was never brought to a vote.

1970s

Welfare reform took hold on the national scene as elected officials worried about how to move people off welfare and onto the tax rolls. 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 slashed 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 brought about 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.

# State agencies lead government efforts

#### Carol Savonen

he 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 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 to:

- provide assistance to the
- 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 drugabuse treatment and mental health treatment.

Examples of DHS programs in action:

The Oregon Health Plan supports basic medical, 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 and other medical assistance programs serve about 350,000 Oregonians.

Adult and Family Services
Division includes:

Temporary Assistance to Needy Families (TANF), or what people typically think of as "welfare," helps Oregon families become more self-sufficient. It provides temporary cash benefits up to \$503 a month for a family of three. Approximately \$6.5 million are distributed each month to

about 17,000 Oregon families. Less than 12 percent of the poor in Oregon receive TANF, according to Adult and Family Services.

Job Opportunities and Basic Skills (JOBS) is Oregon's "welfare-to-work program." Its purpose is to enable Oregonians receiving TANF to find permanent, self-sustaining employment. JOBS places an average of 1,500 people in jobs each month, at a starting wage of \$7.08 per hour. More than 75 percent of the jobs are full-time. A majority of the workers placed in jobs remained off welfare 18 months after finding work and the number is increasing, according to Adult and Family Services.

As part of the JOBS Program, teen parents are required to complete their high school education. About 93 percent of Oregon's teen parents return to school to earn high school diplomas or a G.E.D.—the highest rate in the nation.

The Food Stamp Program helps supplement food budgets for low income working families, those on public assistance, seniors and people with disabilities. In April 1999, 110,100 households in Oregon received food stamps with an average amount of \$150 per household.

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



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

Families

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 partnerships to administer

programs that provide low income housing, rental subsidies, homeless programs, 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 members 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 national welfare 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 mandatory programs."

# Has the poverty rate gone down in Oregon?

"The poverty rate has not really dropped in Oregon during the past decade," said Charles Sheketoff, director of the Oregon Center for Public Policy, a private nonprofit 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 rate 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, OSU 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 that displace workers, personal and family choices or circumstances that increase vulnerability, or gender and racial inequity and other factors."

"Individuals, communities, businesses, investors, employers, educators, taxpayers, non-profit organizations and government must increase their commitment to reducing the causes of poverty, not just treat the after-effects."

#### State "Report Card" says we have a long way to go toward prosperity for all

he Oregon Progress Board, created in 1989 by the Legislature, evaluates how well Oregon is working towards "benchmarks," or indicators of success in reaching a number of desirable goals. In its 1999 Benchmark Performance Report, the Progress Board found that Oregon was not meeting the goal of economic well being for all Oregonians as evidenced by:

- the size of its middle class
- the size of its homeless population
- the percentage of low-income households spending more than 30 percent of their household income on housing
- the number of people employed in areas outside the Willamette Valley
- the high rate of school drop outs
- the unaffordability of child care

"Despite a strong economy, poverty has not gone down," the 1999 report concluded.

# Private organizations are important players

Andy Duncan

eople 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. Not-for-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 povertyrelated 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-forprofit, private organization get money? Some deliver goods and services to the needy through the efforts of volunteers, with no public funds involved. And many cooperate with public agencies, 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

The efforts of not-for-profit and for-profit groups range from handing out food and putting a roof over people's heads, to helping them prepare for and find jobs, to working on complex povertyrelated 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

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 notfor-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 400,000 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 650 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, 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

"We had a big increase in the food we distributed last year."

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 because there's been so much pressure on public agencies to get people off welfare, and because of cutbacks in food stamps for illegal aliens and single people."

The Oregon Food Bank, like many not-for-profit organizations, also has a paid staff. Executive director Rachel Bristol says that besides trying to eliminate hunger, the organization is working with poor people and the public sector to get at 'structural causes" of poverty.

Other not-for-profit organizations in the state, such as the Saint Vincent de Paul Society, the Salvation Army, Goodwill Industries and many local groups, help poor people directly with needs such as housing, childcare, transportation, counseling, health and education. Other not-forprofit, private organizations, such as the United Way, raise funds and distribute them to groups that deliver services directly to the poor.

Businesses most often address poverty issues through education and by providing jobs. Some offer work experience to young people, some offer job training and employment opportunities to families leaving welfare, and others have special hiring programs geared to people in poverty. Also, there are firms that specialize in counseling poor people to help them find jobs, or find better jobs.

Last year nearly 5,000 welfare and unemployment recipients were placed in jobs that are subsidized by public funds through JOBS Plus, a state program that is the result of a 1990 ballot initiative spearheaded by Dick Wendt of Klamath Falls Wendt is founder of Jeld-Wen, a wood products manufacturing company that has diversified into other businesses.

This is called a subsidized employment approach to helping people on welfare. Like a lot of approaches to helping people in poverty, it is controversial.

Some assert that the approach places private, forprofit companies on public assistance and places welfare recipients on a fast track toward long-term membership in Oregon's "working poor" by moving them into low-paying jobs while ignoring the basic causes of their poverty. Admirers of the approach counter 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.

Critics have taken aim at employees in the public and not-for-profit, private sectors whose careers, they say, hinge on ministering to the day-today needs of poor people 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 society should redirect most of the public and private resources spent on poverty to support a federally guaranteed minimum family income. They say this type of streamlined "safety net" would give poor Americans more money 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 had a guaranteed income, suffering would decline and self-confidence and the rate of escape from poverty would rise, at least for those without continuing mental or physical limitations. Others retort that the approach smacks of the "S" word—European-type socialism-and would not fit with our country's capitalistic economic philosophy.

Many who work with public and private social service organizations scoff at the notion of a self-perpetuating "poverty industry."

"That doesn't match up with the current movements in the social service arena, 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-today needs of people in poverty but to help them move beyond their basic needs and out of poverty," he adds.

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

"Churches seem to be having to take on more and more work with people in need that the state should be doing," says Enid 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.



Gleaners around the state put the saying "Waste not, want not" into practice. They gather crops left over after harvest.



**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

Clinton Reeder, wheat grower, Pendleton

hen 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 (for more on this, see "Issues forum" on page 21), frames the issue this way:

"The central questions are what we owe the poor, what kind of assistance helps them get back on their feet, and what we have a right to expect from the poor in return for the assistance they receive."

One thing you can count on in the future is continued discussions over these kinds of fundamental questions. Economic changes that some say dwarf the efforts of individuals and even states and countries, such as rapidly evolving technology and industrial globalization, will complicate these discussions.

In a more day-to-day, practical sense, most observers expect a continuation of welfare reform, with its emphasis on briskly ushering people who receive public assistance into the working world.

"Our case load has gone from 44,000 families in 1994 to less than 18,000 today. People have gone to work and improved their lot," says Jim Neely, deputy administrator of the state's Department of Human Services, whose Adult and Family Services division administers Temporary Assistance to Needy Families (TANF—what many people think of when they think of welfare).

Private organizations
working with poverty see
more people coming to their
doors for help and think
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 and 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 haphazardly spending the savings from moving over 50 percent of the TANF recipients off the caseload. While some has 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 government building back the safety net (like the cash assistance program), 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

"What happens in a recession when even the low-wage jobs aren't there? Back to the New Deal of govern-

ment-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 of the Southwestern Oregon Community Action Committee, Inc. in Coos Bay. "Those employed at or near minimum-wage—I'd say at \$7 an hour or less—are clearly 'atrisk.' For them to escape that situation, they will need to have the skills to compete at ever higher levels for a narrowing market of livable wage jobs.

"Down here," he adds, "our production jobs have been going away for years. We've had an on-going discussion about what we can do to get additional living-wage jobs. Meanwhile what keeps opening up are fast-food restaurants, supply stores and service businesses like that."

Many Oregonians were surprised, and disturbed, by a U.S. Department of Agriculture study released in October 1999. It showed that 12.6 percent of Oregon households are threatened by hunger, tying Oregon with Arkansas for the sixth highest percentage among states. The national average was 9.7 percent.

The study also found that 5.6 percent of all Oregon households experience hunger on a regular basis, giving Oregon the worst ranking in the nation in that category.

The findings appear to correspond with other developments, such as the Oregon Food Bank's 14 percent increase in demand for emergency food baskets last year.

"People working at the food banks are seeing more

and more, and they are feeling abandoned by government programs," says Mike Gibson of Linn-Benton (counties) Food Share. "Many of the people who work at food banks are elderly. They used to like the government. Now they are frustrated and feel the government is no longer doing its part. Another problem facing the food pantries is that for the most part they are run by elderly volunteers. When they retire they are not being replaced."

Age figures into other thinking about poverty and the future.

"One of the fastestgrowing populations is people over 75," says Ellen Lowe, who retired recently as a lobbyist for Ecumenical Ministries of Oregon and chairs the Oregon Hunger Relief Task Force established by the Legislature. She also notes that many people seem to be retiring earlier and the first members of the country's huge "Baby Boom" generation are nearing retirement age. How well have they prepared economically?

"Economic well being in late life requires the 'three-legged stool': public programs that create a base of income security and health care financing; effective pensions; and personal savings," says Clara Pratt, a professor of family policy at OSU.

"I think in the future we will see more and more recognition of public policies that address this balance of responsibility. Unfortunately," she adds, "unless the funding issues around Social Security, Medicare and Medicaid are addressed, the growing aging population will severely strain the current funding system for elder support, again making large numbers of elders vulnerable to late-life poverty."

Pratt predicts poverty will continue to affect large numbers of young families unless education and job development efforts are concentrated on preparing young workers for living wage employment.

"In the short run," she predicts, "the income inequality that has grown in the past 20 years will continue to plague us. One strategy to reduce this is to increase the incomes of families at the lower end of the scale, thus increasing the middle class. Another strategy is expansion of concern for whole communities, not only for our individual well being. This strategy will lead to increased community involvement, charitable giving, volunteerism, wage and taxation equity, and 'voluntary simplicity.

"Both strategies will be needed to reduce the further growth of poverty and income inequality and the negative consequences of poverty. Most families and individuals have done what they can. In the future we will have to address structural problems of poverty more

aggressively," concludes Pratt.

Other trends and their implications? Population projections for the state suggest ethnic diversity will continue to rise. That could increase poverty, based on current demographics, unless we find ways to reduce racism and discrimination and help minorities increase their economic success.

Despite these types of concerns, and debate over how effective welfare reform will be in the long term, some are hopeful.

"We haven't reduced poverty in Oregon but I see reasons for optimism," says Chuck Sheketoff, director of the private Oregon Center

continued on page 22

# Program explores policy options

Andy Duncan

ver wondered why someone hasn't gotten down to the nitty-gritty—written a simple description of options for dealing with poverty?

Someone has.

"From Welfare to Work:
Who Should We Help and
How?" was produced
recently for the National
Issues Forum, a network of
educational and community
groups. The Kettering
Foundation, a non-partisan,
non-profit organization,
sponsors the network.

The goal of the National Issues Forum is help people with diverse views find common ground for action on important national problems. The forums do this with non-partisan discussions, sort of in the spirit of town hall meetings.

Led by a moderator, assisted by a specially prepared publication,

participants weigh several ways to address an issue. The "From Welfare to Work" publication presents three options for dealing with poverty:

1. Everyone Should Work: Every American has a responsibility to contribute to society. We must require everyone to work because that's the only effective way to fight poverty. Even those with limited skills or disabilities can do something.

2. Help Those Who Can't Work: Some people simply cannot work while caring for themselves or their family. They must have help so they can live in dignity and have their basic needs met. We must help those truly unable to provide for themselves.

3. Prepare Productive Citizens: Welfare became a problem in the first place because we were treating symptoms rather than underlying problems. We must address the causes of poverty within each family. In the long run, prevention is the answer.

The publication offers thoughts 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: Perverse 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: Mending the Safety Net. The poverty debate must begin by recognizing the right of the poor to public assistance. 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. Our system for helping the poor should be based on "tough love," not unconditional assistance. Benefits should be offered only to those who honor the social contract by behaving in socially acceptable ways.

#### **Tina Eoff's Second Chance Renters' Program**

Andy Duncan

ina Eoff grew up in Estacada, near Portland. She was a recently divorced student at Lane Community College in Eugene in 1992 when the economic bottom dropped out of her life.

The costs of child care and a small house she was renting were eating away at her resources. "I'd go to school every day hungry, but I kept my two kids fed," Eoff remembers.

She found jobs in factories. "But nobody would keep me on. I'm

not strong and physical," she says. "I made it to the summer, but then we had to move into a homeless camp at Armitage Park (on the outskirts of Eugene)."

Eoff and her children lived in a small tent trailer loaned to her by a family at her church. She was hoping to get into low-income housing.

"The winter was really scary," she remembers. "But the gamble worked. Eventually we got into low-income housing."

However, experiences at the camp stayed with her. "I'd met so many homeless people and heard so many horrible stories from them," she says, "I couldn't believe it."

She returned to her studies of criminal justice at the community college and, while interning at a Eugene social service organization called Clergy and Laity Concerned, found a way to help people without a home.

A lot of the homeless people she'd met couldn't seem to find a place to rent even if they had the resources. Property owners and managers wouldn't give them a chance.

"I'd thought about it kind of piecemeal from time to time," she says. "Then suddenly a whole idea just popped into my mind."



Her experience as a homeless mother led Tina Eoff to start a program that helps homeless people obtain rental housing.

woman at Clergy and Laity Concerned wrote a grant proposal and submitted it to the United Way. The agency funded the proposal and the Second Chance Renters' Rehabilitation Program was born.

Using Tina's idea, a

The program was headquartered at the Saint Vincent de Paul Society in Eugene. Tina was hired to operate it.

For eight weeks
participants learn the
responsibilities and rights
of being a tenant. They
are guided by "peer
counselors" who have

been homeless themselves and been through the program, and by other members of the community such as lawyers and property owners.

The people who go through the Second Chance Renters' Rehabilitation Program learn how to set goals, how to present themselves, and how to overcome adversity.

What landlords get is a guarantee: Second Chance will

pay for any damage or other financial costs caused by program graduates.

"We have a 93 percent success rate in finding a place for people who go through the program and more than 500 people have gone through it," says Eoff. The program has won awards from the Oregon Coalition on Housing and Homelessness and the National Coalition for the Homeless.

"It's not easy," she says. "They have to study hard and we have a high dropout rate." But there's a change, a new sense of hope, in those who complete it.

"When you're homeless," adds Eoff, "it has a devastating effect on you and your children. A lot of people lose hope. It may not be your fault. You may have just lost your job. But it's really hard to get people to believe in you again."

# New programs take aim at poverty

#### Innovative approaches improve government programs, seek greater public involvement

Tom Gentle

ow's this for a solution to poverty? Give \$80,000 to all 18-year-olds. If they spend it wisely—on education or a business investment, for example—poverty is not likely to follow. If they squander it, they can turn to churches and private charity, but the government will offer little help.

Is it wacky or an idea whose time has come?

When we asked about promising new programs or approaches to addressing poverty, we wanted to know about ones that might be just around the corner or just underway. Here's what we found.

### Consolidation and coordination

Programs for the poor are spread among many agencies and organizations at the federal, state and local levels. In 1994, Oregon received a One Stop Planning and Development grant from the U.S. Department of Labor to develop "one-stop centers" that provide a range of services to the poor, including emergency social services, job training and placement, and educational assistance.

At one-stop centers, a number of agencies are located together—in the same building or neighborhood—where they are easily accessible to people seeking help.

Some 24 agencies are now involved in the one-stop system, including the Oregon Employment Department, Adult and Family Services, local community action agencies, and the Oregon Vocational Rehabilitation Department.

Previous attempts to consolidate services for the poor were largely unsuccessful, primarily because they were voluntary, according to Rex Miller of Oregon's Adult and Family Services. But the

Workforce Investment Act of 1998 made some significant

"The one-stop concept is different from past poverty efforts because the Workforce Investment Act *requires* various agencies and programs to participate," Miller said.

Several one-stop centers are now operating in Oregon, including Coos Bay, Newport and White City. The experience with one-stop centers at this time is encouraging, according to Robert More, program director for Housing and Emergency Services at the Southwestern Oregon Community Action Committee, Inc. More is based at the Newmark Center, a one-stop center established in Coos Bay in 1996.

More said there is less application paperwork, less running around to different offices and better referrals to resources for the poor. Most of all, he said, "There are more opportunities to actually achieve permanent changes as opposed to filling an emergency need."

The entire statewide network of one-stop centers will open by July 2000.

# Reaching the parents through the children

New emphasis is being placed on poverty programs aimed at children. Head Start and the Oregon Pre-Kindergarten Program are examples of successful poverty programs aimed at children. Another promising program provides in-home nursing visits to teach parents with newborn babies about health care, child development, parenting skills and community resources.

"The critical component (of programs aimed at children) is the work with the whole family. All kinds of education happen through contact with the child," said Marty Young, former director of the Umpqua Community Action Network.

SUN Schools (Schools Uniting Neighborhoods) in Multnomah County reach children and families by conducting programs at public schools before and after regular school hours. SUN Schools turn public schools into community centers that offer their neighborhoods health and social services in addition to academic and recreation programs.

Similar efforts are underway in the rest of Oregon through the Alliance for Lighted Schools, a title that reflects the goal of keeping the lights on in public schools to bring families and communities together when classes are not in session.

### Individual Development Accounts

Several years ago, a welfare recipient who managed to save enough money to attend school made national headlines. When officials discovered she was able to squirrel away cash for education, she lost her welfare benefits. Without the benefits she had to drop out of school and lost her best chance to lift herself out of poverty.

The incident highlighted the limitations of many programs for the poor, which concentrate on ensuring that basic needs are met for health, food and housing but do nothing to help them build a solid foundation of financial security.

And yet, the ability to build financial assets is a key to escaping poverty, according to Beverly Stein, Multnomah County Chair and former state legislator. "People move out of poverty by investing in themselves with assets, not spending to live day-to-day," said Stein.

A pilot project now underway in Multnomah County is putting the asset building concept to the test. The project allows participants to establish Individual Development Accounts. These accounts are similar to IRAs,

but can be used to finance job training, home ownership, small-business ventures or post-secondary education.

"Individual Development Accounts show we can make asset-based policies that impact the poor. Even more importantly, these policies can break the cycle of poverty and give children the opportunities for success every citizen deserves," Stein said.

Each dollar in the account is matched as much as five to one, which provides an incentive for low income families to save. Account holders must enroll in a personal development plan that includes appropriate financial counseling, career or business planning and other services designed to increase their independence.

"I think the Individual Development Account will be most effective with the working poor rather than those who are totally disenfranchised," said Jeff Thompson of the Oregon Center for Public Policy.

#### **Building social capital**

In "Bowling Alone: America's Declining Social Capital," Robert Putnam, a Harvard professor, described an alarming decline in public and social engagement in American life.

It wasn't only that people no longer bothered to vote, Putnam said, they also stopped joining groups that brought them into contact with the community: churches, PTA, veterans groups, fraternal and service clubs. Although more Americans were bowling than ever before, Putnam reported, bowling in organized leagues had plummeted.

"The broader social significance (of the drop in bowling leagues) lies in the social interaction and even occasional civic conversations over beer and pizza that solo bowlers forego," he wrote.

This withdrawal from civic and community life had a negative effect on what he called the nation's "social capital." That is, the social organizations and networks—from the neighborhood tavern to the kids' soccer team—that broke down barriers between people, involved them in the community and made them more willing to cooperate in actions for mutual benefit.

To illustrate what happens when social capital is destroyed, one has to look no further than the consolidation

of small school districts. Such consolidations do create administrative and financial benefits. But in towns where the local school plays a major role in community life, the losers are local citizens.

What does this have to do with poverty? Simply this, according to Putnam, "Researchers in such fields as education, urban poverty, unemployment, the control of crime and drug abuse, and even health have discovered that successful outcomes are more likely in civically engaged communities."

As a strategy for attacking poverty, the social capital approach looks for solutions in the local community, according to Marty Young. "It means getting allies on board and rallying community involvement in poverty issues. In the past, we didn't bring the local community into the picture. Instead, we hired social workers and left poor people to them."

Reestablishing community networks and involving local citizens and organizations can bring amazing results. For example, Community Progress Teams created through the Marion County Children and Families Commission look for ways to help families and children in their communities live healthy, productive lives.

One progress team, the Friends of the Family, in Stayton, Sublimity, Lyons and Mehama, has developed parenting workshops and support groups, a kindergarten academy to help children learn to read, a summer recreation program, an after school academy at the middle school as an alternative to television and video games.

There's more: a Saturday night social gathering for 7th to 9th graders known as Nite Court, a teen peer court where kids pass sentence on other kids who have pleaded guilty to crimes, and a community resource guide in English and Spanish.

These new directions address major issues surrounding poverty: the fragmentation of government programs, the growing number of children in poverty, the difficulty of saving money to get ahead, the reliance on government to the exclusion of the community.

How effective they will be depends largely on the continued commitment of our society to eliminate poverty and its associated ills.



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.

#### 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.

# Vhat you can do to help

#### Theresa Novak

ne of the first things that comes to mind when we're asked to help the poor is to donate money. Donations help pay for such things as food, clothing, furniture and emergency housing. They also help pay for warehouses, trucks, forklifts, and drivers to distribute goods to relief agencies around the state.

Non-money donations, such as food and clothing, provide resources that relief agencies redistribute to the needy.

You don't need to contribute money to take meaningful action against poverty. Your time, talents and opinions also are valuable and needed.

Volunteering your time and skills helps relief agencies do more with less. Food banks can accept food that would otherwise be thrown away. You can help agencies conduct events that bring donations of money, food, clothing, furniture and appliances.

Volunteers enable poverty agencies cut down their costs for professional services ranging from legal and medical advice to photography and graphic design. As a volunteer, you not only get the satisfaction that comes with helping others, you also learn first hand about poverty and its causes.

Or, you can be an advocate for the poor by getting involved in activities that help legislators and government administrators fashion policies and programs to address poverty issues.

Here are some suggestions for things you can do to help address the causes and consequences of poverty in your community.

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

Linn-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, 541-758-2645.

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 More, 541-888-

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



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.

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.

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 eicwfc@ocpp.org, or call 503-873-1201. Available on the Web at www.ocpp.org/tc/.

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, 1-800-723-3638. 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. Hours: 8 a.m. to 7:45 p.m., Monday through Thursday; 8 a.m. to 5:45 p.m., Friday.

Pacific Northwest Public Policy Institute. Learn how to engage people in deliberations on public issues by attending the Institute's training session August 10-12 at Reed College in Portland. Contact Neal Naigus, Portland Community College, 503-977-4656. This is related to activities of the National Issues Forum (see article, page 21).

Community Action Directors of Oregon, 2475 Center Street NE, Salem, OR 97303. From January to May 2000, 17 community action agencies around the state will sponsor Dialogue on Poverty 2000, community discussions about public policy issues and their impact on low-income and working poor Oregonians. Contact Nomi Pearce, 503-316-3915.

Here are other sources of information about poverty:

The OSU Extension Service has produced 4-page "Economic Well-Being and Poverty" profiles for each Oregon county. They include economic statistics, barriers to employment, and maps showing how well-being varies across the county. On the Web at http://eesc.orst.edu/ agcomwebfile/edmat/. Choose "Community development and government.'

The Community Action Directors of Oregon website at www.open.org/cado has links to key state and national websites about poverty. A good place to start if you're interested in exploring poverty issues in depth.

# **Issues forum** continued from page 21

4. Jobs Strategy: Moving Beyond Welfare. The welfare problem begins with the labor market, 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

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

You can order "The Poverty Puzzle" by calling 1-800-228-0810. Ask for ISBN 0-8403-8651-6.

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 Commons Road, Dayton, Ohio 45459-2777, or telephone 1-800-433-7834.

### Credits: A Portrait of Poverty in Oregon, Winter 2000

#### Writers

Andrea Dailey Andy Duncan Theresa Novak Bob Rost Carol Savonen Tom Gentle

**Photographers** Lvnn Ketchum Bob Rost

Copy Editor Barbara Baldwin

Designer Tom Weeks

Editor Tom Gentle

Research and Marketing Jeanne Bush

#### Advisors

Peter Bloome Extension Administration, OSU

Sally Bowman Extension Family and Community Development, OSU

Pam Curtis Governor's Office

Debra Minar Driscoll, OSU Extension Service, Polk County

Mark Gibson Governor's Office

Erlinda Gonzales-Berry Department of Ethnic Studies,

Ken Kingsley Extension & Experiment Station Communications, OSU

Clara Pratt College of Home Economics and Education, OSU

Jeff Tryens Oregon Progress Board

Department of Agricultural and Resource Economics, OSU

#### Reviewers

Tom Clancey-Burns Community Services Consortium

Jeff Davis The Oregon Consortium and The Oregon Private Industry Council, Inc.

Enid Edwards Ecumenical Ministries of Oregon

Mike Gibson

Rebecca Hernandez Marion County Commission on Children and Families

Community Services Consortium

Johnny Lake Community Activist, Salem

Robert More Southwestern Oregon Community Action Committee

Adult and Family Services, Oregon Department of Human Services

Nomi Pearce Community Action Directors of Oregon

Jim Rutledge 4-H Youth Development Education, OSU

Chuck Sheketoff Oregon Center for Public Policy

Jerry Tippens Oregon Food Bank

Katherine Wenos Mid-Willamette Valley Community Action

To order a single copy of this publication, call 1-800-561-6719 or write: Publications Orders, Extension & Station Communications, Oregon State University, 422 Kerr Administration, Corvallis, OR 97331-2119. Ask for EM 8743.

A Portrait of Poverty in Oregon was produced by the Oregon State University Extension Service in the Department of Extension and Experiment Station Communications.

University. This publication was produced and distributed in furtherance of the Acts of Congress of May 8 and June 30, 1914. Extension work is a cooperative program of Oregon State University, the U.S. Department of Agriculture, and Oregon counties. Oregon State University Extension Service offers educational programs, activities. and materials-without regard to race, color, religion, sex, sexual orientation, national origin, age, marital status, disability, and disabled veteran or Vietnam-era veteran status—as required by Title VI of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, and Section 504 of the Rehabilitation Act of 1973. Oregon State University Extension Service is an Equal Opportunity Employer.

This tabloid is available online at http://eesc.orst.edu/poverty

Extension and Experiment Station Communications
422 Kerr Administration Building
Oregon State University



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

OREGON STATE UNIVERSITY

**EXTENSION SERVICE**