



Addressing Deep and Persistent Poverty

A Framework for Philanthropic Planning and Investment

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INTRODUCTION

The JPB Foundation engaged the Urban Institute to provide background on the problem of deep and persistent poverty in the United States. This paper summarizes the history of US antipoverty policies, synthesizes existing knowledge about poverty and deep poverty, and presents a framework for understanding the complex and multi-faceted landscape of antipoverty efforts today. It also draws on interviews with over 30 experts, philanthropists, and thought leaders in the field to review and distill the most current thinking about promising strategies for tackling deep and persistent poverty. Drawing on these facts and insights, we present a series of questions and choices that any foundation wishing to invest in this area would be well-advised to consider.

Understanding US Antipoverty Policies

Federal antipoverty efforts began in earnest during the Great Depression with the New Deal: a combination of federal social insurance programs aimed at alleviating the risks of income loss and means-tested programs that would provide assistance to selected groups of poor people. By the early 1960s, policymakers and the public increasingly recognized that tens of millions of Americans remained poor despite this benefit structure. New causes of poverty emerged or became more evident, such as the prevalence of single-parent families, racial discrimination, the concentration of poverty in distressed neighborhoods, chronically high unemployment among youth, and low levels of education and earning power among many workers. Concerns also arose regarding the possible negative effects of welfare programs on work and marriage, the level of intrusion of welfare programs into people's lives, and the inadequacy of benefit levels relative to needs.

Over time, means-tested programs grew increasingly complex. Cash welfare benefits were supple-

mented by in-kind benefits for nutrition assistance, health care, housing, energy assistance, child care, and job training. Public backlash against government-sponsored benefits led to a growing focus on reducing malfeasance and increasing personal responsibility among those receiving assistance. By the mid-1990s, new programs and modified existing ones conditioned the receipt of many benefits on work. For example, periodic expansions to the Earned Income Tax Credit (EITC)—a refundable tax credit enacted in 1975 for those with low earning levels—have made it the largest public program assisting low-income families in the United States. An emphasis on work as a precondition for receiving public benefits continues to this day.

Today, the constellation of antipoverty efforts in the United States is vast, complex, and fragmented. A multiplicity of programs and initiatives provide various forms of assistance or support to different groups of poor people at different points in their lives. In the case of federally funded programs, one study documents over 80 need-based programs that provide cash benefits, food assistance, medical benefits or insurance, housing, education, child care, job training, energy aid, and a wide variety of other services. Table 1 provides a framework for organizing and thinking about how particular programs or approaches fit within this broad constellation and how a new initiative might be designed. In this framework, we suggest that the amalgam of antipoverty efforts can best be understood in terms of whom they intend to help, where they operate or deliver help, how they aim to improve people's well-being, and when they deliver services or benefits.

US efforts to combat poverty have benefited millions of people, mitigating material hardship and enabling many to achieve greater economic security. However, too many Americans remain



TABLE 1. Framework for US Antipoverty Programs and Approaches

WHOM does the approach help?	WHERE does the approach operate or deliver help?	HOW does the approach help?	WHEN does the approach deliver help?
<i>Assistance may target populations based on:</i>	<i>Assistance may be national or statewide, or may target:</i>	<i>Assistance may combat poverty or hardship by:</i>	<i>Assistance may be triggered by events or circumstances:</i>
<p>Lifestage</p> <ul style="list-style-type: none"> • Age (infants, children, youth, working age, near elderly, elderly) • Family composition (families, singles, single parents, parenting teens) <p>Minority status</p> <ul style="list-style-type: none"> • Race or ethnicity • Immigration status (undocumented, non-English speaking) • Lesbian, gay, bisexual, and transgender (LGBT) <p>Health problems</p> <ul style="list-style-type: none"> • Physical disability or chronic health condition • Mental, emotional, or behavioral illness <p>Current circumstances</p> <ul style="list-style-type: none"> • Homeless or housing insecure • Hungry or food insecure • Low-skilled, illiterate, learning disabled • Disconnected (out-of-school youth, long-term unemployed) • System involvement (child protection, criminal justice, military) 	<p>Types of locations</p> <ul style="list-style-type: none"> • Inner city, suburb, or rural or frontier <p>Particular locations</p> <ul style="list-style-type: none"> • Where other services are delivered (clinics, schools, public housing) • Where needs are greatest (distressed neighborhoods, declining metros) • Where target population happens to be (runaway youth, migrant farmworkers) 	<p>Meeting basic needs</p> <ul style="list-style-type: none"> • Cash assistance • In-kind assistance (food and nutrition, shelter and housing) • Work-conditioned benefits (subsidies, tax credits, child care) <p>Addressing physical, mental, and social problems</p> <ul style="list-style-type: none"> • Behavioral health services and supports (mental health and substance abuse) • Disability-related services and supports • Family, gangs, and sexual violence, child abuse and neglect, trauma, post-traumatic stress disorder (PTSD) <p>Promoting human and social capital</p> <ul style="list-style-type: none"> • Education at all ages (early childhood through post-secondary) • Employment and training programs (apprenticeships and transitional jobs) • Financial literacy and asset-building skills • Soft skills for employability, relationships and parenting, and health literacy <p>Reducing structural barriers</p> <ul style="list-style-type: none"> • Community crime and violence • Mass incarceration • Discrimination • Demand side of job market (scale and nature) • Transportation barriers (geographic mismatch, car ownership) • Credit and consumer issues 	<p>Short-term (one-time or time-limited)</p> <ul style="list-style-type: none"> • Crisis response (soup kitchen, energy assistance) • System entry (foster care, prisons, veterans) <p>Longer-term</p> <ul style="list-style-type: none"> • Entitlement benefits and disability programs (Permanent supportive housing and Supplemental Security Income [SSI])

poor and obtain only limited help from the government. The type and level of help varies and depends, in part, on program funding, where a recipient lives, and his/her characteristics (such as age, size of family, or disability). Because some programs are capped, not all eligible families receive assistance. Moreover, eligibility rules for some programs vary across states or localities so that two families with identical needs can receive different benefits. Finally, many individuals and families who are eligible for government assistance do not apply for benefits, and therefore receive no help. The history of federal antipoverty policies and the configuration of the current public program structure are discussed in Part 1.

Deep and Persistent Poverty

Today, about 15 percent of all Americans have incomes below the poverty level and 6.6 percent of the population—more than 20 million adults and children—experience deep poverty, defined as having incomes less than half the poverty level. Although many people who fall into poverty at some point in their lives are able to climb back out quite relatively quickly, some remain poor for long periods of time. About one-third of those falling into poverty in a given year will remain so for 5 or more of the next 10 years. Although precise numbers on the overlap between “deep” and “persistent” poverty are not available, people who experience deep poverty are more likely to remain poor over long periods.

The families and individuals suffering from deep and persistent poverty are diverse. Their circumstances defy one-dimensional characterizations and their needs reflect multiple and interacting disadvantages. They include the homeless, people with physical or mental disabilities, single mothers, single men, ex-offenders, and undocumented immigrants. About half of those living in deep poverty are under the age of 25. African Americans and Hispanics are disproportionately represented among those in deep poverty. Most deeply poor adults are not working.

Poverty is, by definition, a lack of income, but deep and persistent poverty reflects profound personal challenges and systemic barriers. These in turn require intensive and sustained engagement that cuts across conventional policy and programmatic silos. Work requirements and other conditions imposed by many of today’s federal programs may be beneficial for the working poor or for people experiencing short spells of poverty and unemployment, but they

Felicia Ogbodo and her daughter, Ermaline. Ermaline is a top student and has been accepted into college on a scholarship, but fears she will not be able to afford the education because her mother has lost her job as a social worker with foster children. State budget cuts have forced Fresno County to downsize group homes or shut down programs for foster children; Felicia has been living on unemployment benefits since January 2011. “It’s shocking and embarrassing, because I never thought that with a master’s degree, I would be unemployed,” she says. She filed for bankruptcy to wipe out her credit card debt, an experience she calls “humbling,” and has been considering moving in with her ex-husband or a roommate to save on bills. Before losing her job, Felicia had a yearly salary of \$45,000, but is now running out of money. In addition to downsizing, she plans on selling her furniture and other items she has in storage.



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do not address the needs of people in deep and persistent poverty. Part 1 provides a more detailed look at the characteristics of the deeply poor in this country.

Roles for Philanthropy

Throughout the history of antipoverty efforts in the United States, philanthropic organizations have contributed significantly to policy development and on-the-ground practice. Their activities, though diverse in scope and focus, can be grouped into four inter-related approaches: (1) strengthening or expanding publicly funded programs (through practice demonstrations, policy development, and advocacy); (2) seeding and supporting on-the-ground efforts that integrate services and supports necessary to address the needs of one or more particular communities or groups; (3) engaging and empowering poor people to advocate effectively for themselves; and (4) educating the broader public and building public will for changes in public policy or the social contract.

All four of these approaches are relevant to facing the challenge of deep and persistent poverty.



Strengthening or expanding major publicly funded programs can enable them to work better for the deeply and persistently poor. For example, the Temporary Assistance for Needy Families (TANF) program could be reformed to better assist single mothers struggling to meet the program's work requirements. Initiatives integrating multiple services in specific communities can target the complex needs of people suffering from deep and persistent poverty. The federal Promise Neighborhoods Program (modeled on the highly regarded Harlem Children's Zone) is an example of this approach, as well as the HOST initiative, which delivers intensive support services to the most disadvantaged families living in public housing developments and is supported by both government and foundation grants. Work that engages and empowers poor people to make changes themselves can amplify their voices and support them in tackling the barriers they consider most severe. Public information and advocacy campaigns can help counter misinformation and stereotypes and build public support for addressing persistent poverty. These approaches are each explored in Part 2.

Choices for Philanthropy

The range and scope of antipoverty efforts, and the depth of need in this country far exceed what any single major foundation, or consortium of foundations, could successfully address. People living in deep and persistent poverty are not the main focus of most current or proposed antipoverty efforts, although some of them do benefit from these efforts. There is widespread agreement that no institution or initiative today is prioritizing the very poorest among the poor. By choosing to focus on deep and persistent poverty, any funder is taking on a formidable challenge. Experts consulted for this project stated that foundations working in this space must be prepared to address as part of their efforts complex social problems, such as drug addiction, homelessness, incarceration, and chronic disability. Many experts supported foundation efforts to help this important group of Americans; others said that, to be successful, the effort must be collaborative. But a few advised against it, saying the problems are simply too intractable.

A focus on deep and persistent poverty has significant implications for developing an investment strategy. Our interviews with philanthropists, experts, and thought leaders in the field yielded a series of critical and interconnected choices for

funders to consider, choices that are not formulaic. One frequently heard recommendation from interview respondents was that funders should identify and pursue their genuine passions within this space (see the Some Promising Areas of Focus box for some specific examples). In particular, funders should consider

- **Who?** Because the deeply poor population is diverse, and different subgroups face distinct challenges, a funder will need to determine specific subgroup (or a limited number of subgroups) on which to focus. For example, it might target its investments to address the needs of persistently poor young children, single men, or people who are disabled or face chronic physical or mental health problems. This decision will help narrow a funder's choices about where and how its investments could effectively target needs and it can provide direction for cutting across conventional disciplinary and policy silos.
- **Where?** Because place matters in shaping people's well-being and life-chances, and because deep poverty is not evenly distributed across the country, a funder needs to be selective and specific about its geographic parameters. A funder may want to focus on selected communities or types of communities. For example, it might target its investments in distressed inner-city communities, deeply poor rural communities, low-income housing projects, or communities where large numbers of undocumented immigrants are concentrated.
- **How?** Because the needs of deeply poor people are complex and multidimensional, a funder will need to identify its highest-priority outcomes and the best ways to achieve those outcomes. For example, if one's primary goal is to fight poverty by helping people earn more, then is it enough to pull people over the deep poverty level into non-deep poverty, or is the real goal to end poverty altogether over the long term? The foundation would then determine a more fine-tuned set of intermediate outcomes and approaches, such as improving the physical and mental health of deeply poor children or adults, or connecting people who have never successfully worked to a viable employment support structure.
- **When?** Because lasting solutions to deep and persistent poverty cannot be achieved quickly, a funder should be prepared to invest in long-term



strategies and to track progress over an extended period of time. Two-generation strategies offer promise in this regard, because they acknowledge the interconnection between parents' poverty today and children's prospects in the future, offering the potential to disrupt the intergenerational transmission of poverty. Two-generation interventions also provide a logical basis for integrating the delivery of services and systems across policy domains and programs serving adults and children.

Fighting poverty can never be a purely philanthropic endeavor, and effectively addressing deep and persistent poverty requires alignment with multiple, deep-end public sector programs. Meaningful progress will also require integrated delivery at the local level, vigorous advocacy and self-help from within poor communities, and broader, informed support from the general public. A funder might decide to focus its efforts on one or two of these intervention strategies, but it should look for opportunities to connect and leverage all of them. Moreover, given the complexity and interconnectedness of challenges facing deeply poor people, a funder might consider building on, partnering with, or leveraging other initiatives.

Any strategy that a funder pursues will be strengthened by an ongoing commitment to knowledge building: assembling and disseminating nuanced evidence about the systemic factors that perpetuate deep and persistent poverty; monitoring indicators of desired outcomes; promoting continuous learning about what works and what does not; and sharing

Eric Ramirez lives in a trailer park for migrant farm workers in Firebaugh, California, where he shares a narrow trailer with his two siblings and his grandparents. According to the 2010 US Census, 36 percent of children in Fresno County, where Firebaugh is located, are poor, and 43 percent of children in Firebaugh live below the poverty level. The land here is one of the most fertile in the country and the Ramirez family work in the fields picking fruits and vegetables. Still, Eric has to walk more than two miles with his grandmother to a community center where they wait in line for hours to receive free food.



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evidence about both successes and failures with the broader field. Part 3 examines the decision-points facing any foundation looking to address deep and persistent poverty.

Organization of This Report

The remainder of this report is organized into three parts. Part 1 provides an overview of how the United

Some Promising Areas of Focus

- Focus on the future of young children in persistently poor families, especially in light of the president's attention to universal pre-K in his 2013 State of the Union address.
- Target immigrants in light of immigration reform efforts and the likelihood of 13 million people becoming new citizens.
- Adopt a justice framework and highlight the devastating consequences of mass incarceration on prisoners and their families.
- Test and promote multiple strategies for increasing people's income by focusing on the conditions of work, career pathways, and intensive workplace mentoring.
- Look beyond jobs and subsidized jobs to address mental illness, criminal justice history, disabilities, and other personal challenges that often stand in the way of work.
- Address the intersection of poverty and environmental health by, for example, focusing on the social determinants of health as they relate to place (environment) and economic well-being (poverty/opportunity).

See Part 3 for more details on these and other promising areas of focus.



States has approached poverty and poverty reduction, as well as a profile of who is poor in the United States. For the purposes of this project we are mainly interested in establishing a sense of scale (how many people live in deep or persistent poverty?) and a sense of scope (who are about the deep and persistently poor?).

Part 2 presents a high-level review of four approaches for addressing poverty in this country: (1) strengthening or expanding publicly funded programs (through practice demonstrations, policy development, and advocacy); (2) seeding and supporting

on-the-ground efforts that integrate services and supports to address the needs of a particular community or group; (3) engaging and empowering poor people to advocate effectively for themselves; and (4) educating the broader public and building public will for changes in public policy or the social contract.

Finally, Part 3 presents advice and questions we think any foundation looking to work in this area should consider, including guidance relating to targeting and strategy.



PART 1: POVERTY IN THE UNITED STATES

This section provides a brief overview of federal anti-poverty programs in the United States, how they have evolved over time, and who they serve. This context is important for understanding the constellation of programs in place today and the needs that remain unmet. It provides a starting point for exploring new approaches and efforts that can help reduce poverty in the future.

History of Federal Antipoverty Policy

Federal policies to fight poverty began in earnest with the onset of the Great Depression and the creation in the mid-1930s of the New Deal. The basic approach, which is still used today, involves a combination of federal social insurance programs aimed at coping with the risks of income loss, and federal and state programs of welfare or means-tested assistance to select groups of poor people. In the years that followed, as social insurance coverage became nearly universal (with all workers making mandatory payments into both the unemployment insurance and social security systems), means-tested programs were left to fill smaller niches relating to other, presumably more minor, causes of poverty.

By the early 1960s, however, policymakers and the public recognized that tens of millions of Americans remained poor despite this benefit structure. New causes of poverty emerged or became more evident: single-parent families; racial discrimination; the concentration of poverty in central cities and rural areas; chronically high unemployment among youth; and the low educational attainment and earning power of many workers.

With this expanded awareness came public concerns about welfare “cheating” (benefits going to support people who were not truly eligible or needy) and the negative impact of welfare receipt on work and

marriage, its level of intrusion into people’s lives, and the inadequacy of benefit levels relative to needs. In response to such concerns, means-tested programs grew increasingly complex—cash benefits began to be supplemented with an expanded set of in-kind benefits for food, health care, housing, energy assistance, child care, and job training, and much greater attention was given to collecting child support.

Beginning in the mid-1970s, new programs and modifications to existing ones began to condition the receipt of benefits on work. In 1975, EITC was devised to supplement the earnings of the working poor.¹ Work requirements were added to the Aid to Families with Dependent Children (AFDC) program in the 1980s and early 1990s. In 1996, welfare reform replaced AFDC with the TANF program, which instituted mandatory work requirements and, for the first time, imposed time limits and lifetime caps on the receipt of cash public assistance. This emphasis on work as a condition for receiving public benefits remains in place to this day.

Current Federal Antipoverty Landscape

Today’s landscape of federal government assistance for people in poverty is vast but piecemeal. By one count, over 80 federally funded, need-based programs now provide cash benefits, food assistance, medical benefits or insurance, housing, education, child care, job training, energy aid, and a variety of other services.² Many Americans benefit from this support. For example, in 2009, over 2 million households received federally funded housing assistance and 15 million received food stamps. About 1 million families received subsidies to help with child care costs, and over 50 million people were covered by the Medicaid program.



Spending on these programs is substantial. About one-sixth of federal government spending (\$588 billion in 2012) went to 10 of the largest means-tested programs and tax credits.³ This is more than the government spent on Medicare in 2012, but less than it spent on Social Security or defense. The single biggest program by far was Medicaid at \$251 billion (accounting for more than 40 percent of federal spending on these programs), followed by SNAP at \$80 billion (see figure 1). These figures do not reflect state funds devoted to these programs, or the costs of needs-based programs funded solely by states, counties, cities, or nonprofit groups.

Despite the large numbers of programs, recipients, and dollars, many poor families obtain only limited help from the federal government. The help they receive depends on their characteristics (e.g., size of family, ages, and disability), and the level of funds allocated for the program. Many programs (including those that subsidize the cost of housing and child care) operate under budget caps, so not all eligible families will receive assistance. In addition, eligibility rules for some federal programs vary across states or localities so that two families with identical

circumstances might receive different benefits, depending on where they live. Table 2 provides a comparative look at 11 major federal assistance programs.

Poverty Levels and Trends

In the United States, individuals are defined as poor if his/her family's annual cash income (before taxes) falls below the official poverty level, which varies by family size and composition (number of adults, children, and elderly).⁴ In 2012, the poverty level was roughly \$23,000 for a family of four (two adults and two children) and \$14,000 for a family of two adults over 65.

In 1960, about 22 percent of people lived below the poverty level (see figure 2). The rate declined over the decades, falling to an all-time low of 11.1 percent in 1973. Since then, it has fluctuated roughly between 11 and 15 percent, rising and falling with the overall economy. In 2000, after several years of strong economic growth, the poverty rate stood at 11.3 percent, near its all-time low. However, in the aftermath of the Great Recession, the rate again climbed to 15 percent (46.5 million people) in 2012. For the last several decades, child poverty rates have remained higher than

FIGURE 1. Federal Means-Tested Programs and Tax Credits

Distribution of Spending in 2012 (Billions of 2012 dollars)

Health Care Programs, \$272 Billion



Cash Assistance Programs, \$148 Billion



These amounts include only the refundable portions of the EITC and CTC (the portions that are paid to tax filers because they exceed filers' tax liabilities).

Nutrition, Housing, and Education Programs, \$168 Billion



Source: Costantino and Schwabish (2013).



TABLE 2. Characteristics of Major Means-Tested Federal Programs and Tax Credits

Program	Who is eligible?	What is the benefit?	Is benefit an entitlement?	Do states help pay?	Does the program vary by state?
Medicaid	Children, parents, people 65+, or with a disability, at home or in institutions	Health insurance	Yes	Yes, required state match	Yes, large variation within federal rules
EITC	People with earnings	Refundable annual tax credit	Yes	No, but some states have state EITC	No
SSI	People 65+ or disabled, at home or in institutions	Monthly cash	Yes	No, but some states supplement federal benefit	Yes, through state supplements
CTC	Families with children	Refundable annual tax credit	Yes	No	No
TANF	Families with children	Monthly cash	No (work requirements and time limits)	Yes, state “maintenance of effort”	Yes, large variation
SNAP	Almost any low-income person	Monthly stipend for food only	Yes	No	Little, but states have some options
Free and Reduced Price School Lunch ^a	Children in school	Free or reduced-price meals	Yes	No	No
Women, Infants, and Children (WIC)	Pregnant and post-partum women, infants, and children age 1 through 4	Vouchers to purchase specific nutritious foods	No (annual discretionary funding)	No	No
Public housing and housing vouchers	Low-income households; most include someone who is 65+, disabled, or a child	Housing subsidy; household pays 30 percent of income in rent	No (housing/vouchers for ~25 percent eligible)	No	Localities set eligibility criteria within federal guidelines
Low Income Heating and Energy Assistance (LIHEAP)		Lump-sum payment toward energy costs	No (annual discretionary funding)	No, but states may choose to add funds	States have some options within federal structure
Child Care and Development Fund (CCDF)	Families with working parents and children <13 or disabled	Child care subsidy; family pays a state-established copayment	No (annual state allocation)	States may combine with state or local funds	Yes, large variation in state and local administration

^a National School Lunch Program (NSLP) and School Breakfast Program (SBP).

the overall rate and poverty rates among the elderly have been lower; the recent increase in poverty (since 2007) has been largely driven by rising poverty among children.⁵ Poverty is also closely tied to geography. The Deep South has long struggled with persistent poverty, but, in recent years, poverty has grown more rapidly in the Midwest and suburban areas and has become more highly concentrated in metropolitan areas.

Deep poverty is commonly defined as having cash income that is less than half the poverty level—in 2012, this was \$1,000 a month for a family of four and \$500 a month for a single individual. The share of Americans in deep poverty has varied less over time than the total share in poverty, but it has climbed since

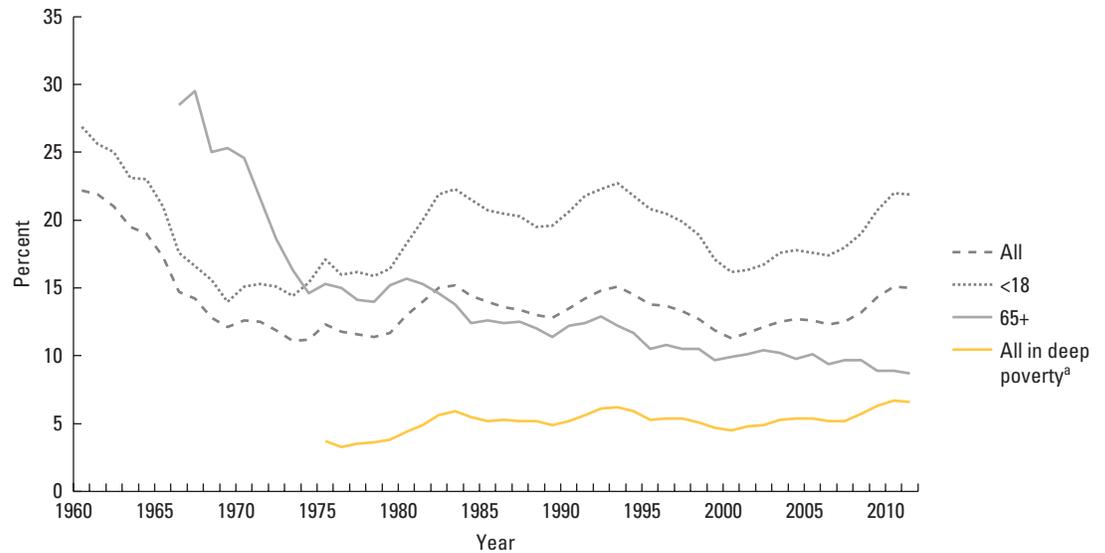
the recent recession. In 2011, 6.6 percent of the population (20.3 million people) lived in deep poverty. Alternative poverty measures produce lower estimates of the population in deep poverty. The Census Bureau’s Supplemental Poverty Measure reports deep poverty at about 5 percent when taking into account cash transfers, tax credits and tax liabilities, and major expenses such as the cost of going to work, out-of-pocket health expenditures, and child support payments.

Characteristics of the Deeply Poor

Poverty is, by definition, a lack of income, but deep poverty reflects profound personal challenges and



FIGURE 2. Poverty Rates by Age Group, 1960–2011



Source: US Census Bureau. 2012. "Historical Poverty Tables - People." accessed September 27, 2013. <http://www.census.gov/hhes/www/poverty/data/historical/people.html>.

^aDeep poverty is defined as having income below half the poverty level.

systemic barriers. The families and individuals suffering from deep and persistent poverty are diverse; their circumstances defy one-dimensional characterizations and their needs reflect multiple and interacting disadvantages. Table 3 summarizes basic demographic characteristics of the population living in deep poverty in 2012, including the risk (or incidence) of deep poverty among different demographic groups, and the share of the deeply poor population in each group.

As table 3 shows, about one-third of those in deep poverty are children under age 18. Racial and ethnic minorities face a much greater risk of deep poverty than whites, and blacks and Hispanics account for half of all deeply poor people. Noncitizens also face a high risk of deep poverty, although their numbers are relatively low.⁶ Three-quarters of deeply poor adults have not worked in the past year. More than two-fifths of the poor live in single-parent families, most of which are headed by mothers. The incidence of deep poverty is much higher in cities and rural areas than in suburban communities, and over one-third of all deeply poor people live in central cities.

People in deep poverty are more likely than the nonpoor population to face significant personal challenges, including serious physical and mental health problems, disabilities, and addiction. They may be homeless, high school dropouts, functionally illiterate, or have criminal records. Accurate national estimates for these factors are not available, but studies of specific locations and subpopulations have found

that many of these challenges are co-occurring. These personal challenges can make working difficult and multiple challenges decrease the likelihood of work even more. Research suggests that it is often the combination of multiple challenges that holds people in deep poverty.

Persistence of Poverty

Over the course of several years, many people move into and out of poverty. A job loss, time away from work at the birth of a child, a health crisis, and other events can all push a family into poverty—or even deep poverty—temporarily. Many of those families climb right back out of poverty fairly quickly. About half of the people who fall into poverty in a given year will remain in poverty for half or more of the next 10 years (Bane and Ellwood 1986; McKernan and Ratcliffe 2002; Cellini, McKernan, and Ratcliffe 2008; Stevens 1999).

Spending a year in poverty or deep poverty during young adulthood is not uncommon. Over one-third of adults between the age of 20 and 29 in 1990 spent at least 1 out of the next 10 years in poverty, and almost one in five spent at least 1 year in deep poverty (Sandoval, Rank, and Hirschl 2009). Fewer were persistently poor over the decade: 14 percent were poor for three or more years, and less than 7 percent were poor for five or more years. About 3 percent of all children



TABLE 3. Deep Poverty Among Population Subgroups, 2012

Characteristic	Number in deep poverty	Deep poverty population (%)	Rate of deep poverty (%)
Age			
<6	2,844,438	13.9	11.9
6–17	4,298,607	21.1	8.6
18–24	3,153,519	15.5	10.5
25–34	3,054,470	15.0	7.3
35–44	2,180,463	10.7	5.5
45–54	1,983,549	9.7	4.6
55–64	1,709,828	8.4	4.4
65+	1,175,051	5.8	2.7
Race			
White only, non-Hispanic	8,434,762	41.3	4.3
Black only, non-Hispanic	4,724,600	23.2	12.6
Hispanic	5,366,104	26.3	10.1
Other	1,874,459	9.2	7.5
Nativity			
United States born	17,288,067	84.7	6.4
Foreign born, citizen	916,842	4.5	5.0
Noncitizen	2,195,017	10.8	10.0
Work status in past year (age 16+)			
Full-time, full-year (FTFY)	533,482	3.8	0.5
More than 1 week, not FTFY	2,949,756	21.2	5.5
No work	10,418,615	74.9	11.7
Family type			
Singles or living with non-relatives	6,723,387	33.0	11.6
All people in families	13,676,538	67.0	5.4
Married couple families	4,857,833	23.8	2.6
Single-female-headed families	7,585,407	37.2	16.1
Single-male-headed families	1,233,298	6.1	7.0
Region			
Northeast	3,238,224	15.9	5.9
South	8,376,331	41.1	7.2
Midwest	3,972,477	19.3	5.9
West	4,857,892	23.8	6.6
Metro area			
Central city	7,620,923	37.4	9.0
Other metro	6,396,381	31.4	4.8
Non-metro	3,428,955	16.8	7.4
Total	20,399,925	100.0	6.6

Source: Urban Institute calculations from the 2012 Current Population Survey (CPC) Annual Social Economic Supplement (ASEC).

Notes: Numbers may not add to 100 because of rounding. Deep poverty is defined as having cash income below half the poverty level.

are persistently in deep poverty, when defined as spending at least half of their childhood in deep poverty.⁷ Persistent poverty serves as an indicator of substantial deprivation. Children raised in persistently poor families have far worse later life outcomes than those who experienced just a year or two of poverty growing up (Ratcliffe and McKernan 2012).

Goals of Antipoverty Programs

We classify federal antipoverty programs into four broad groups, based on how they intend to make a

difference in people's lives. Specifically, programs and initiatives may

1. meet people's basic needs by providing cash, subsidies, or in-kind assistance for food, shelter, and other necessities, thereby alleviating hardship and suffering;
2. address people's physical, mental, and social problems by providing health insurance and health care, behavioral health services for mental illness and substance abuse, and services and supports relating to health literacy, violence, and



Ruby Ann Smith lives under the North Avenue Bridge where it crosses the North Oconee River in Athens, Georgia. She shares the space with other homeless people who have made an outdoor encampment. A prostitute and drug addict, Ruby Ann has been beaten, shot, and sexually assaulted. "I am so lucky I am still alive," she says, "I should have been dead ten times by now."



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trauma, thereby helping people overcome personal barriers;

3. build human and social capital, by providing education at all ages, employment and training (including apprenticeships and transitional jobs), and financial literacy and asset-building skills, thereby enabling people to get and keep jobs and accumulate income and savings; and
4. reduce structural barriers that trap people in poverty, such as community crime and violence, mass incarceration, discrimination, and expand structural opportunities such as jobs, transportation, and access to credit, thereby creating an environment that enables people to succeed socially and economically.

Most federal means-tested programs fall into the first two groups—either alleviating hardship or helping people overcome personal barriers. Many programs and initiatives in the second two groups aim to serve nonpoor as well as poor people. Still, meaningful progress in reducing deep poverty and the damage it causes requires improvements in all of these areas. Part 2 takes an in-depth look at a range of approaches that can be used to achieve these goals.



PART 2: APPROACHES FOR ADDRESSING DEEP AND PERSISTENT POVERTY

In this part, we review efforts that involve many of the publicly funded programs described in Part 1, as well as other services and supports not currently delivered through major federal programs, efforts to weave multiple programs and service streams together to reach more people in need or more effectively meet their needs. We also discuss broader efforts to engage both poor people and the general public. We identify four overarching and intersecting approaches:

1. Strengthening or expanding programs and services through practice demonstrations, policy development, and advocacy.
2. Seeding and supporting on-the-ground efforts that integrate needed services to address the needs of a particular community or group.
3. Engaging and empowering poor people to effectively advocate for themselves.
4. Educating the broader public and building a public movement for changes in policy or the social contract.

Many programs span two or more of these strategic approaches. Also, although government-funded programs are often part of the first two, they can and do reach into the last two; foundation-funded efforts span all four. Below, we describe a range of work in each of these four areas, offering a description of some promising models and approaches and how they are thought to influence poverty. We also suggest important opportunities for ongoing knowledge building, because sound evidence should be the foundation of any strategic effort.

Strengthen or Expand Publicly Funded Programs and Services

The public programs reviewed in Part 1 have helped millions of Americans escape poverty or avert it altogether. Nonetheless, many individuals and families remain poor or deeply poor and often for long periods of time. Regardless of their overall efficacy, these public programs make up the structural backbone of the country's antipoverty work and are the most significant source of investment in this work. As a result, it is not possible to tackle poverty on a large scale without involving mainstream public sector programs in the effort.

Many current strategies for reducing or alleviating poverty thus focus on strengthening, expanding, or supplementing major federal programs, or trying to ensure that these programs are not weakened in ways that push more people into poverty. Under this rubric, there is a wide range of promising approaches that we describe below, which include reforming multi-program systems, expanding program-specific benefits, program-specific target populations, and improving program practices for deep and persistently poor people.

Systems Reform

One approach to strengthening public programs is to strategically reform the way they interact with, and potentially complement, one another. The work of the Community Advocated Public Policy Institute in Wisconsin offers an example of a system-wide strategy. They designed and are demonstrating how a



range of simultaneous adjustments to Wisconsin's existing public-sector programs, supplemented with some new components, can significantly reduce poverty (including deep poverty) in the state. The effort includes a new transitional jobs program, an increase in the minimum wage, a restructuring of the EITC, and a new tax credit for adults receiving some form of disability income. Together, these reforms can reduce poverty by an estimated 58 to 81 percent (Giannarelli, Lippold, and Martinez-Schiferl 2012). Such a package of reforms, however, which essentially reduces poverty by increasing poor people's incomes, would be very costly at a time when federal budget constraints dominate political debate.

Systems reform may also be the mechanism for "busting the silos" that are found in many public service systems: creating links that reduce redundancies and increase efficiencies when multiple programs serve the same people. One interviewee acknowledged the need for this reform, explaining: "Addressing cross-systems barriers is crucial. But how do you get the mental health people to work with child care? No one wants to fund this work because it is mundane; there is enormous resistance and there are conflicting agendas. But we need to change incentives for systems to act differently. There are local programs that figure this

John Moon, 64, a folk artist and writer, lives a frugal life in Athens, Georgia. The bare walls once used to be covered from floor to ceiling with his colorful collages and art creations that he sold to simplify his life and pursue what he calls "spiritual matters." In addition to his visual art, Moon has written and self-published several books that are now housed at the University of Georgia's Rare Books and Manuscript Library. Despite local recognition, he never made money from his art. He now scrapes by on Social Security income, food stamps, and help from one of his sisters when he falls short on the bills. "I was raised to live low-income," the son of a sharecropper says, "so I am okay."



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out but they are not necessarily supported at higher system levels."

Another interviewee indicated that such systems reform work is particularly needed in the early childhood arena: "National and state systems are fragmented in their thinking about early childhood issues as well as in funding these programs. It is a messy business with a lot of programmatic work to be done to help the early care field better integrate the different sources of funding. It drives the field crazy that Head Start is separate from child care, and child care from preschool. Everyone has to sort this out for themselves—it is not an efficient or effective way to operate."

One important pathway to reforming a program or system of programs is through its financing mechanisms and incentive structures. As the American College of Mental Health Administration (ACHMA) Workgroup (2003, 88), a group on financing results and value in behavioral health, observed:

The [. . .] field has learned much in the last 50 years about what it wants and needs, and how to get it by using financing mechanisms that provide the right incentives and avoid perverse ones. Above all, the field has learned that finances drive behavior. A statement of values, a strategic plan, research on evidence-based practices, and even regulatory efforts are critical, but they cannot overcome the reality that what is paid for is what will be provided. Frequently, what is paid for well or easily, or with a high reimbursement rate, will have more influence on which services are provided and in what manner they are provided than the professional standards or the nonfinancial actions of system leaders and stakeholders. (emphasis added)

Benefit Expansions

Addressing the failure of program benefits to meet the existing needs or reach all those who are eligible may also strengthen public programs. Such concerns are found in virtually every public program area. Responses include efforts to increase benefits levels, expand eligibility to a larger group, or conduct more effective outreach and enrollment.

One example of a benefits expansion approach involves public housing. Although housing is among the most critical and costly needs, especially for people living in deep poverty, only about 30 percent of poor people receive government housing assistance. One way to reduce poverty, then, would be to provide this benefit to more people. Together with the SNAP program—a widely used benefit that provides a guaranteed income floor between 32 and 35 percent



of the poverty level, irrespective of work status—housing benefits could raise a household’s purchasing power to nearly 90 percent of the poverty level.

Ensure the Affordable Care Act Reaches Its Target Population

Interviewees for this report agreed that the implementation of the Affordable Care Act (ACA) in 2014 provides a particularly ripe opportunity for expanding public benefits. Through expansions in the Medicaid program, the ACA will make free or subsidized health insurance available to millions of currently uninsured people, including an estimated 11.5 million people who are poor and 7.3 million who are deeply poor (Kennedy et al. 2012). Two aspects of the ACA that are particularly critical for people who are living in deep or persistent poverty—especially adolescents and young adults—are new coverage mandates for the treatment of behavioral health problems (i.e., mental health and substance abuse issues) and for contraceptive and reproductive health services. These services can be game changers, allowing individuals to take advantage of new and better educational and employment opportunities, and can provide the prospect of a more stable life. However, because people will need to connect with service providers in order to benefit from these changes, interventions that facilitate such connections will be vital.

One interviewee stressed the importance of the ACA for deeply poor adults this way:

In 2014, childless adults (i.e., the homeless, formerly incarcerated, those with serious mental health conditions) will be newly eligible for Medicaid. Will they get the services? Will systems be able to respond effectively and comprehensively to their needs? This represents a new access point for a very deeply impoverished and challenged population. We need people working in the ‘non-kids and families’ space to ensure enrollment and use of newly available services. We don’t have the experiences or infrastructure there, no known outcomes-paths to rely on . . . there will be much focus on getting people into the health exchanges and too little on helping the disabled, low-literacy, English as a Second Language, and other disconnected people attach to health care. It is new and critical territory.

Improvements to Practice within Public Programs

A third strategic approach to strengthening public programs is to ensure that they support the deeply

poor in the most effective ways possible. Often, the most promising interventions are developed and tested at the local level. Bringing them to scale within large public systems is an important step that is often never taken. As one philanthropist put it: “Our approach is focused on making full systems more adaptive and responsive to the needs of the population. For example, workforce system [. . .] resources are not coordinated and don’t reach low-skill and low-wage workers, people struggling in deep poverty, undocumented, people with multiple problems. Helping them make connections to the system, such as it is, is important.”

While there are myriad examples of effective practice strategies across the full spectrum of programs serving people who are deeply poor, some particularly important opportunities follow.

Building Assets

A number of effective programs have been developed to help low-income people build assets that can cushion them from financial shocks and hardship in the short term, and allow them to invest in education, training, or housing in the long term. Examples include individual development accounts (IDAs), child development accounts (CDAs), and “small-dollar credit” options that can take the place of expensive payday and auto title loans. Efforts toward build savings at tax time, such as opening a SaveUSA account, are particularly promising because many poor and other low-income tax filers receive a substantial tax refund. With an average income of only \$18,000, SaveUSA participants saved an average of \$500 and nearly one-third saved \$1,000. Such programs build a financial cushion that people can use in a financial emergency, lessen their need for expensive loans, and bring them into the financial mainstream. Asset-building strategies like these have yet to make sufficient headway on a large scale, but a federally supported financial match at tax time, targeted at low-income tax filers, is a promising strategy.

Managing Disabilities

Although large public programs provide a variety of financial and health insurance benefits to people with disabilities, including children and their families, they do not serve many people with profound disability-related problems and they are ill-suited to support those whose needs are more episodic in nature, including people with serious mental illnesses. Effective programs that still need to be expanded to meet people’s needs include Assertive



Community Treatment (an intensive and highly integrated approach for community mental health service delivery) and Housing First (providing stable and affordable housing without preconditions). New services and supports are also needed for temporary or time-limited disability programs, including tax credits for those who can eventually return to work.

Supporting Work

For some adults in deep poverty, targeted employment or training services can lead to successful work. For example, the Substance Abuse Research Demonstration (SARD) targets TANF recipients with substance abuse or dependence problems and includes intensive case management and treatment. Evaluation results not only show increases in treatment participation, completion, and abstinence, but also in employment (National Center on Addiction and Substance Abuse 2009). The Center for Employment Opportunities in New York City provides temporary, subsidized jobs, as well as work support and placement services to former prisoners. The Center has effectively increased employment and reduced rates of recidivism. Unfortunately, public funding for such training, particularly under the Workforce Investment Act (WIA), is limited. WIA performance measurement standards create a disincentive

Lawanda Leary and her son, Reginald, live in a massive housing complex for low-income families. Leary, an unemployed single mom, is planning to join the military as a way to get benefits and offer financial stability to her son, even if it means going into a war zone and being away from her son.



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to use training funds on those who are most needy, but may have a lower likelihood of becoming employed.

Taking a Two-Generational Approach

A growing body of research points to the importance of giving children the strongest possible start in their first years of life. Among other things, this means combatting toxic stress and maternal depression and attending to the complex developmental and practical challenges poor children and parents face together. While two-generational approaches are labor and cost-intensive—especially among the most vulnerable families—the long-term benefits outweigh the greater costs (Golden, Loprest, and Mills 2012). Both the ACA and increased resources for home visiting programs offer platforms for expanding the use of promising interventions that simultaneously help deeply and persistently poor mothers with depression and their young children (Howell, Golden, and Beardslee 2013).

Seed and Support Programs and Services on the Ground

Any antipoverty effort, whether it originates in a legislature, a boardroom, or a community meeting, must ultimately be implemented on the ground. It is in places such as housing developments, neighborhoods, rural communities, or entire cities or metropolitan areas where the many services and systems that people need to survive and escape poverty operate, and where the actual value of individual-, family-, systems-, and policy-level interventions of all kinds can be demonstrated. Thought leaders interviewed for this paper pointed to the vital importance of place-based approaches. As one put it: “It is only in places that you can bring systems together in a digestible way [. . .] We will lose the battle if we don’t go into the field and develop community-based models that work and unleash transforming movements. These have to start from the bottom.”

Local place-based efforts can be powerful vehicles for testing new interventions, identifying essential systems reforms, and moving state- and national-level policies. Many successful current antipoverty programs originated in specific communities across the country. For example, unemployment insurance and workers’ compensation policies that now span the nation first originated in Wisconsin, and the Housing First model for chronically homeless adults was pioneered in the early 1990s in New York City.



Service Integration

Most community- or place-based approaches to tackling poverty integrate multiple service systems to address the intersecting barriers people face. For example, the two-generation, whole family HOST demonstration applies a case-management model to connect deeply poor mothers and children in targeted public housing developments with the health, mental health, and youth development services they need to stabilize their lives. Magnolia Place in Los Angeles is an example of a neighborhood transformation effort that saturates poor communities with services and supports to change fundamental conditions on the ground for the benefit of all residents. And Living Cities' Integration Initiative works at the city and regional levels to improve the performance of the systems that prepare people for successful employment and connect them to jobs. Typically, these approaches attempt to break down bureaucratic silos at the local or regional levels and knit together services that are often disconnected or uncoordinated. Some of these efforts provide communities with access to regional resources that cannot be found or developed locally (such as transit or jobs), and they often link to the private sector to implement job creation, employment, training, and entrepreneurship strategies. One interviewee noted the critical importance of engaging the private sector, offering opportunities in the food industry as an example:

Philanthropy has not done enough in this space—in helping the private sector to define and incentivize employment strategies that will address poverty. One great approach would be through the food industry which is second only to the health industry in being a dinosaur with enormous destructive potential for society. There must be a million and one ways to be innovative on engagement and employment and wages in this sector, but we have to be creative and set about to do that.

There is a long history of attempts in the social welfare service arena to bust silos, integrate human services, and forge cross-sector partnerships. Sometimes this coordination and integration is legislatively driven (e.g., the Services-Training-Officers-Prosecutors (STOP) grants in the Violence Against Women Act) and, in other cases, local communities see a need and respond accordingly (e.g., as described in the previous section, the Assertive Community Treatment program for people with serious mental illness). Increasingly, state governments are looking at ways of “governing by network”—to increase the return on investments

through improved efficiency; leverage new expertise and resources to deliver a wider range of services and benefits than traditionally available through standard compartmentalized approaches; and allow for more timely and synchronized responses at the state and local levels to emerging opportunities and challenges (Goldsmith and Eggers 2004).

Place-based efforts often start with a particular focus or outcome goal and expand in scope and complexity as intersecting challenges are identified and addressed. For example, the Harlem Children's Zone focused on the healthy development and educational success of children, tackling new domains and adding services in response as successive barriers were identified. In this way, initiatives that start with a goal of providing stable, affordable housing, for example, may expand to provide child care and after-school care, health care, literacy, job readiness classes for parents, financial education, and asset-building assistance. Initiatives that start with a focus on workforce development and job matching may expand to tackle transit access, affordable housing preservation, and small business development. And a place-based initiative to improve the health of babies and toddlers may find itself addressing the absence of grocery stores in the neighborhood, local crime and violence concerns, and treatment for mothers' physical and mental health. Expanding services in this way can be effective since the programs become familiar with the community dynamics and are able to implement additional measures specifically targeted to the community's needs.

Challenges

Place-based work brings with it a number of challenges and limitations.

Structural Barriers

Some place-based initiatives focus primarily on systems, supports, and opportunities within a fairly small geography or within the control of neighborhood stakeholders. While this focus can yield important benefits in terms of community empowerment and collective efficacy, it may fail to tackle larger structural barriers (like a failing city school system or regional job losses) that undermine people's life-chances.

Time and Impatience

It can take years to get a multidimensional, place-based change effort launched and underway, especially if community residents and other local



stakeholders are meaningfully engaged. And, once under way, improvements may not be evident for years. It is not unusual for national funders and local participants to become impatient with the process and give up before the original vision can be accomplished.

Institutional Infrastructure

Place-based integration work requires a local champion or anchor institution with the credibility and capacity to create and support collaboration across agencies and institutions. Support for this essential infrastructure, however, can be scarce, and nationally funded initiatives sometimes flounder as a result. One consequence is a divide between national and local organizations at the implementation stage of place-based efforts that are designed by a national organization for implementation in communities. Common complaints include a lack of staff on the ground, limited understanding of local community conditions or history, and a sense of arrogance and paternalism from national offices.

Residential Mobility and Neighborhood Change

People move frequently—sometimes because they have to and sometimes because there are better opportunities elsewhere—and neighborhoods are dynamic. Increasingly, proponents of place-based antipoverty work recognize that a myopic focus within the (often artificially defined) boundaries of a target neighborhood fails to address the real needs of families as they move across those boundaries, or recognize important changes under way around the neighborhood.

Making an Impact

Many ambitious place-based efforts have yet to show a lasting impact in the lives of community residents. Further, if they do show impact at a local level, they may not be able to replicate such changes in other local circumstances. What is needed is a good understanding of the conditions that contributed to the success of a particular place-based intervention and a “typology” of community characteristics that can help identify other areas where the same approach could fruitfully be implemented to affect poverty across larger parts of the country.

Strategic Approaches

Place-based integration interventions are frequently supported through funding collaboratives and joint ventures that enable national-level funders to support

an initiative while ensuring local knowledge drives the work. Getting such local buy-in, including the support and participation of local leaders, is important, as is clarifying the purposes and outcomes and agreeing on how these should be tracked and measured. It is also important that the efforts and desired outcomes be embraced and understood by the community at large.

The StriveTogether cradle-to-college model has been widely promoted and embraced as a strategic model for place-based service integration work. StriveTogether, first launched in Cincinnati and northern Kentucky in 2006, has since expanded into a network of communities in 34 states and DC. It focuses on the goal of preparing every child in a community for college and career success, and provides a structured framework for building local collaboratives, measuring essential outcomes, and developing strategies for collective impact. This model has the advantage of building on a set of measures that are required by the federal No Child Left Behind law and reflects a set of developmental stages and service systems that all children who follow healthy developmental pathways must pass through. Although this evidence-based approach is compelling, it may be more difficult to apply to other outcome domains (such as health or employment) because the sequence of success measures is less apparent and the data to track them are less readily available. As was noted in one interview:

Strive is conceptually compelling, but I can't believe they actually end up touching the health system or the community development system, for example. Also, by being so education focused, the measurement is easier. Maybe this then drives the nature of the machinery? People's lives are not quite that amenable to neat and tidy measurement [. . .] Is this architecture a necessary component? How does the work intersect with poverty?

An alternative approach would be for a national funder to support the institutional infrastructure that already exists within selected communities for leading and driving the integration of systems and services toward a particular outcome goal. This approach could help create a common “table” where local community, civic, and business leaders come together to authentically build on existing assets and capacities to tackle critical gaps and system failures. In effect, the funder would be supporting a network of local champions to promote a long-term focus on poverty reduction at the local level.



Engage and Empower Poor People

Another way of addressing poverty is to engage and empower poor people through advocacy as well as the development and implementation of services. In commenting on this strategy, interviewees stressed that the field can quickly get far away from the realities of poverty. Cross-disciplinary, integrative efforts, in particular, they said, often leave the actual constituency out. Few current program models have been designed and implemented by poor people and may, therefore, be missing the mark.

The issue areas in antipoverty work are usually kept pretty separate; we are thinking about each person and not connecting the dots; not connecting it to community organizing; or what poor people themselves say they need and want.

Further, empowerment activities can improve outcomes for those who are engaged and sustain impact by leaving capacity behind when funders exit. For example, research shows that young people who are not college-bound and have no experience with service or civic engagement are less likely to be engaged as adults and more likely to be poor in the future. Some experts argue that civic engagement levels are a reasonable proximate measure of overall progress.

We need to invest not in a new set of programs, but in community organizing so that the poor begin to vote, to believe in their own agency and efficacy, to participate in the process. We need to build capacity on the ground for all of this [. . .] to build a public discourse and engage the poor.

Strategic Opportunities

There are many types of engagement and empowerment activities. Some promising ideas include

- **Focusing on minority populations.** Build on the growing clout of minority populations (especially Latinos) and youth in public discourse and policy.
- **Connecting to live policy initiatives.** The ACA rollout and immigration reform are examples of upcoming developments that could be used as tactical platforms to simultaneously empower poor people and contribute to the success of the reforms.

Foundations can play an important role in fostering social movements that build pressure for policy change; can demonstrate a range of effective strategies beyond traditional “community organizing.” For example, what’s happening

Eli Stockstill, 3, (pictured) and his brother DJ often stay on their grandparents’ shrimp boat that sits in a lot out of the water for maintenance. Their parents, Darla and Todd Rooks, longtime Louisiana fishermen, moved into the 40-square foot cabin of their boat after the BP oil spill, because they were not sure they would be able to continue paying their lease. Before the spill, they used to make good living, eating healthy food from the sea. Now, the fresh seafood has been replaced by canned food, and they have developed a host of health problems from muscle spasms to skin rashes and memory loss. The Rooks long for a better life. “I do not want to be the face of poverty,” Darla says. “I do not want to live on food stamps—I just want to fish.”



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with immigration—politics is one element, but there has also been a social movement. This did not happen by accident. Foundations have been helping to create the conditions for change.

- **Establishing food-related platforms.** Build community self-sufficiency and support key health outcomes through food-related empowerment enterprises.

There’s a lot going on in this area. Detroit and Cleveland are investing in community gardens—what effect has this had on nutritional status? On social capital? On whether those initiatives can be leveraged to provide a source of income? Can urban farms become a new industry with multiple benefits? Can they affect the key triple bottom line of the economy, the environment, and health?

There is a huge cost to having so much fast food in low-income communities. We need to move up stream and get a handle on this—resolve this problem and create new work opportunities at the same time. People are becoming food entrepreneurs. Farmers and workers [are] partnering with local distribution and consumption centers.



Funding food entrepreneurs is a key empowerment strategy for philanthropy. Take a small piece of land in an urban area and transform it into a vertical food production center. Philanthropy needs to provide resources for innovators to create local food production centers and employ people and train students

- **Engaging parents.** Address intergenerational transmission of poverty by focusing on empowering parents.

Working with parents directly on the streets and in communities is a critical path. Institutions in the poverty space should only get credit for hitting outcomes if every child has an engaged parent with the capacity and resources to stand up for their children. I don't see enough going on with empowering parents. There aren't that many models that do it effectively. We have to get to the mothers who are alone trying to do it all—they gain so much from peer support networks that strengthen and connect them. This is a big gap in our change strategies.

- **Linking to civic engagement.** Improve service provision at the state and local levels by linking it directly to civic engagement work.

One example of a comprehensive empowerment and engagement model is the Children's Defense Fund Freedom Schools, which serve more than 11,500 children in 83 cities and 25 states. The Freedom School model is about empowerment, community ownership, sustainability, training a critical mass of leaders, training parents, getting churches involved, training young faith leaders and other worship leaders and preachers, changing community institutions, and getting the traditional socializing institutions functioning the way they should. Freedom Schools partner with mainstream institutions while maintaining the flexibility and integrity of the model. On the education side, they are now adding Common Core standards and STEM curricula. The model is adaptable to local communities' and children's needs.

When considering how to execute work in any of these areas, interviewees offered a number of lessons and cautions. They indicated that this kind of work takes time and training, both for those who will be working the interventions and those members of the target community who will be building their skills. Developing youth leaders, in particular, is a key focus with multiple positive outcomes since these leaders will continue to advocate and inspire others. Finally, figuring out how to expand the

reach of these efforts is important—as one expert put it:

[Funders] need to test and move to scale best practices and community models for empowerment and engagement. And to do it they will need to be a marathoner, not a sprinter.

Educate the Public and Build Goodwill

A fourth approach for addressing deep and persistent poverty aims to build goodwill around the subject—to counter misinformation and stereotypes and increase public support for changes that address persistent poverty. The Center for American Progress's "Half in Ten" campaign and the National Employment Law Project's "Raise the Minimum Wage" campaign are two good examples of successful public information and advocacy campaigns. Campaigns like these are often collaborative efforts between foundations, non-profits, the media, and public officials.

The philanthropists, practitioners, researchers, and experts interviewed for this report reflected on this area of work as it relates to addressing deep poverty. They considered its relative value, what it could look like in operation, and what some of the challenges might be. There was a fair amount of concurrence around the notion that public education and will-building in this area is an important task. It was noted that poverty remains an unpopular topic that politicians and the public tend to avoid and that the nature of deep poverty is not well understood. As one expert explained: "We all have middle-class sensibilities about work and how people manage their time. There are fundamental misunderstandings about this for poor families—what it means to work. There is *no* idea among the public about who the very poor are." Public education was seen as a reasonable antidote to these concerns. Finally, since the characteristics of poor people, the challenges they face, and the gains being achieved in combatting poverty and hardship evolve over time, a routine reconfiguring of these public messages is necessary.

An additional line of reasoning put forward by a number of interviewees was that, while many of the solutions or interventions for poverty are known, the nation does not have the will to do anything about them. Some wondered where the outrage was and how to generate it:

We don't have a fundamental commitment in this country to the idea that there is equality in humanity and therefore there must be equity of opportunity. We are about us and them—this is the



backdrop. The fundamental shift that has to occur is a mental shift in which we actually value all people equally. Particularly with country's demographic shifts we need to establish that is in everyone's collective interest to see the gaps closed and the opportunities more equally distributed. If not, in 20 years we will be having the same conversation but the specifics will be less tolerable—there will be more backlash and more violence.

I'm tired of dealing with the symptoms of deeper problems. My metrics would not be around new programs and investments, but rather, over the next three years, how do we move the issue into the mainstream conversation, develop common sense consensus? How do we get people to see that it is too expensive, debilitating, morally suspect, and dangerous to sustain poverty the way we do. There is a failure of imagination right now. We have accommodated ourselves to a high level of poverty—racialized it; rationalized it [. . .] and we have not fully appreciated the high costs of poverty—to individuals, communities, and society.

Strategic Opportunities and Angles for Building Public Will

In considering strategies for operationalizing public education and will-building, interviewees identified a series of specific opportunities and angles they felt might be particularly salient and successful today.

- Increasing attention to the voice of emerging demographic groups suggests new targets ripe for appeal.

This is a very interesting moment for this work . . . there's lots of thought about who voted (younger people, Latinos). Maybe we should find out how to tap into those populations specifically . . . or how many voters were poor and what do they think about it?

- The War on Poverty marks its fiftieth anniversary in 2014. The context of the nation's current economic realities can help make the case for building public will to address poverty.

We're at a particular moment in the public conversation about economic security and where the nation is headed. The downturn and Obama's objectives create an opportunity to influence the public conversation on the deeply poor. This would be really useful regardless of what solution track you take. Capture the public's imagination, increase understanding and appreciation for the problem. You could work on that on the deep poor and it would help a variety of solution strategies get some traction

- Newfound attempts at cross-party dialogue can be drawn upon.

- National debates occasioned by election cycles create opportunities to reframe public understanding of poverty issues.
- Emerging interest in the age gap and generational differences opens up opportunities for discussing how successive generations are faring over time.

Despite the shifting demographics, only a few have begun to frame these problems in terms of the age divide as well as the racial or ethnic divide. But we have an aging population that has largely benefitted from a social structure designed to increase opportunity and an emerging youth population for whom these social structures are being dismantled—the gap in between has ramifications for both sides.

- There are state-specific opportunities for building momentum on specific strategies (e.g., tax reform and reinvestment in public programs).

Critical Messages and Possible Pitfalls

Among the multiple strategies and approaches one might take on public messaging around deep and persistent poverty, a consistent theme from our interviews was the importance of focusing on helping people become self-sufficient and downplaying the issue of hand-outs and welfare. Interviewees offered a series of other messages they felt would resonate well: emphasizing work (since even those in deep poverty are generally not working, helping to improve their potential for working and making it on their own is important); focusing on children; and using a justice framework (e.g., focusing on the impact of mass incarceration on families and society). Another compelling theme could be the current and future high societal costs of poverty. This is especially true given that so many deeply poor people use expensive treatment settings, including emergency shelters, hospital emergency rooms and inpatient care, jails, and detoxification facilities.

When considering where public education and will-building efforts have gone (or could go) astray, interviewees noted that it is important to avoid dividing the poor into categories, such as the working poor or the chronically poor. At the same time, several felt that focusing first on the most difficult truths about the population (their needs, consumption levels, dependency, deficits, intractability) would be a mistake and that the sequencing of messaging within an initiative is of great importance.



Several interviews discussed the need to make a strong business and policy case for poverty reduction strategies. Successful buy-in from policymakers allows investments to broaden beyond what a single funder can do.

Not many are focusing on increasing political salience and policy action on poverty and opportunity. It is a real challenge to get policymakers to address the issues at all—regardless of the specific outcomes that might be achieved. But nothing will happen unless lawmakers at all levels want to address the issues. The communication, messaging, and agenda-setting work is critical. We need to make the larger environment friendly to the specific solutions all of these foundations are offering.

Finally, there was some concern raised about messaging for messaging's sake.

While messaging is very important to public will, it is not equal to public will or action. Once you test the message and you have it right and people's hearts are with you, it does not mean they will get up and do anything. I think we've gotten this all mixed up. Effective political messaging has an audience that wants to get active and is given something to get activated around—you have to give them the action opportunities. When it comes to messaging on poverty, who is active and what are they supposed to be doing? That's the breakdown in public-will campaigns on this topic. If there is a public will out there we can help grow it, direct it and guide it, but we are not going to create the will through messaging.



PART 3: TOWARD AN IDENTIFICATION OF PRIORITIES

This report discusses the depth and breadth of the antipoverty field. It lays out the complex nature of the population and its challenges, and offers a framework for understanding the multi-faceted landscape of antipoverty efforts today. The report also takes a detailed look at four different approaches for undertaking antipoverty work.

Within this landscape, how does an organization choose a direction? As described in Part 2, there are strong, evidence-based opportunities for action in every arena of practice and for every subset of the population. An organization must consider the options and determine what path is best.

The over 30 philanthropists, thought leaders, and other experts who were consulted for this report offered a wide range of strategic advice for funders as they consider this question. Their advice ranged from overarching guidance to specific recommendations to cautionary tales. While the options and choices that remain are many (and not amenable to a formulaic decision tree), Part 3 distills this guidance. It underscores where the collective efforts of philanthropy leave room for innovation and improvement, and offers a number of narrowing questions that can help identify and prioritize key issues.

Advice to the Field from Interview Respondents

Pursue Your Passion

One of the most often-repeated pieces of advice was that a funder's first task is to identify its true passions and aspirations. Recognizing the breadth and complexity of the problems facing the deeply poor—and the amount of money and effort required to effectively address them—interviewees stressed that the

work must be based in the personal drive and convictions of the foundation's leadership. For example, is the foundation most passionate about removing or alleviating challenges the deeply poor face on a daily basis, building their skills over time, or seeing structural changes in the systems that serve this population? Clearly identifying a passion should be the first priority.

Closely connected to this advice, is the firm belief that a funder must “be in it for the long haul.” To successfully address deep poverty, the foundation must be prepared to make a commitment to long-term, multi-generational involvement. While one interviewee said at least 3 years would be needed, many felt the necessary commitment would be more in the range of 5 to 10 years. One said a *minimum* of 10 years. As one expert noted:

By definition, work on deep and persistent poverty will be long term and without immediate gratification. This doesn't mean you shouldn't look for evidence of progress in the near term, nor does it suggest that nothing is happening in these spaces. But this population keeps falling through the cracks because the commitment is not long or patient enough.

Sustain Focus

When asked about efforts that are specifically aimed at addressing deep poverty, a number of experts noted that philanthropy struggles to stay focused on the poor (let alone the deeply poor), almost unwittingly segueing into programmatic approaches that support a much broader population. As they described it, foundations tend to focus on a strategy or set of strategies for a given issue. While at first these strategies may be closely related to poverty-reduction in some way, over



time—as the work is extended and broadened—this focus and intention is lost.

Very few foundations are actually doing work on deep poverty or, more to the point, remain solely focused on this—i.e., only letting their work be guided by other areas of focus as opposed to being taken over by these other areas. Most have many investment strategies going simultaneously that might or might not touch on deep poverty. You get into a strategy and you extend and broaden your work and all of a sudden you're not supporting programs that are really thinking about the deep poverty cycle. It's very hard to stay focused once you get into an issue.

Large foundations usually choose an area of focus (e.g., schools, housing, and employment) as part of an interconnected ecosystem. They do this, rather than focusing on poverty per se, because it is something they can affect; it provides them with bite size pieces of the puzzle.

We get confounded when we get close to poverty [. . .] and then someone raises the race or ethnicity question to distract us even further.

Ideally, foundations should develop their initial strategies and include various methods of self-reflection to ensure they stay focused on their primary goals.

Identify a Subpopulation

Experts concurred that the identification of a target subpopulation will help a funder maintain its focus on the deeply poor. Further, with a targeted, more homogeneous group it may be easier to demonstrate impact. One expert added: “Although it may be end up being a small population, any strategies employed will have implications for the larger population. Systems and service changes will ripple out to people just above the poverty level as well.”

There are a number of ways in which the deeply poor population could be subdivided. Here we suggest four possible options: relationship to the poverty threshold, age, circumstance, and work status.

Relationship to the Poverty Threshold

A series of questions can help determine whether this kind of “cut” is desirable. Is the funder principally interested in helping people who are below 50 percent of the poverty level for an extended period of time? Is it in people who consistently hover near the 50 percent threshold and need support in order to not fall significantly below it? Or is the foundation most interested in people whose presence in the deeply poor category is more fluid or cyclical—those who work for a period of time and rise sufficiently

above the poverty threshold and then experience a crisis and fall well below it?

Age

One way to operationalize age-based selectivity would be to focus on the children of the deeply poor, and then, potentially, select a further subset (e.g., infants and toddlers; early childhood; school age; teenagers). Focusing on children would be consistent with an emerging practice in the antipoverty field around creating multi-generational approaches that seek to disrupt the ongoing transmission of poverty within families and communities. Further, the children in deeply poor families are likely to have existing connections to external systems, such as child care centers or after-school programs that may facilitate intervention. In this category, interviewees expressed particular interest in building on the momentum generated by President Obama’s commitment to universal pre-K; or focusing on young people and the importance of creating multiple high-quality pathways for them to succeed in school and life.

Another age-based selection option would be to focus on deeply poor adults of child-bearing age who do not have children. Experts noted that such a focus would likely entail work on a specific subset of issues, such as incarceration or substance abuse. In this category, interviewees advocated for adopting a justice framework and addressing the issue of mass incarceration and the impact it has on prisoners and their families.

Focusing on the deeply poor who are near-elderly or are elderly is yet another option. Experts observed that in this space, the deeply poor are often women, unemployed, and not disabled enough to qualify for public benefits. The work would most likely be linked to housing and service delivery concerns. The somewhat commonplace idea that public benefits take better care of the elderly than other groups is overly simplistic, and therefore not wholly accurate.

Circumstance

Many of the deeply poor are in this precarious state as a result of circumstance. Some of these circumstances are situational in nature (e.g., immigration status, homelessness, domestic violence, single parenting), while others are more deeply embedded (e.g., a physical, mental or developmental disability, a major health concern, or an addiction). Targeting by circumstance would allow a funder to focus on specific issues, such as violence prevention or immigration reform and the potential for 13 million people becoming new citizens.

This method could also facilitate a focus on specific entry points such as particular kinds of facilities (e.g., hospitals, outpatient treatment) or post-treatment discharge opportunities.

Work Status

Although 24 percent of the deeply poor population does work, at least part-time or for some periods of time throughout the year, their connections to employment are generally tenuous or strained. Effectively improving this connection is vital, but a steep climb.

In this category, interviewees expressed particular interest in efforts that would be linked to potential increases in the minimum wage, or to other strategies that increase people's income, including improving the conditions of work (e.g., access to child care, paid medical and family leave); providing career pathways out of low-pay or low-skill jobs; and attending to issues of mental illness, and criminal justice history (i.e., the economic bread-and-butter issues as well as the health and human/social capital issues).

The alternative option in this category is the subset of the deeply poor who, by virtue of a disabling circumstance, are unlikely to ever establish a relationship to work and for whom this should not be established as a goal. The management of deep poverty, and the potential amelioration of some of its more devastating effects, would be the principal goals for this subset.

Not everyone agreed about the wisdom of focusing on the deeply poor population. In their own words:

There is a strategic decision to be made about whether deep poverty is so intractable that putting resources into it may not be a cost-effective investment.

I have been in this field for 30 years and I know there is no fix you can create for people whose poverty is that deep and who are in such dire need of an array of services. The truly deeply poor are a desperately indigent population and there are many tragic reasons for their situations. Those tragedies can't be fixed with grant-making in my opinion.

My thinking has evolved. Over the years, I have believed that you can always save people and improve lives. But the poorest of the poor don't benefit from programs. They are not geared for them. If you're going to have (program) success, it's not going to be with these people, the ones with intractable problems.

Other experts were less pessimistic but felt that we need much more knowledge and data on the deeply

Ronald Major waits for free food handed out by a group of volunteers on weekends under the Claiborne Avenue Bridge. Because of the lack of affordable housing and the lack of family safety nets, the number of homeless in New Orleans has more than doubled since Hurricane Katrina. Major suffers from a heavy limb and pushes a wheelchair. Since he lost his home in the hurricane, he lives under a bridge, and tries to "keep hope alive" as he says.



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poor, especially on specific subpopulations, such as the mentally ill, the elderly, and the disabled.

Take Risks

To work in the area of deep poverty, experts were clear that funders will have to embrace the most difficult issues, such as drug addiction, homelessness, incarceration, and chronic disability. A focus on such high-risk efforts is not common among the national antipoverty philanthropies. People who are homeless and/or have chronic disabilities tend to be disconnected from the "economic opportunity" frameworks at the center of many foundations' current efforts, and so they are seen as out of scope. One philanthropist put it starkly: "We care about persistent and deep poverty but we are not focused on the homeless or the chronically disabled, for example, and the welfare, safety net, and basic service-driven protections that go along with this population. While these are among the toughest and most important challenges, we do not see them as linked to economic opportunity frameworks, which is our focus." A similar dynamic takes place among the "poverty elite," who do not typically focus on deep poverty either. Interviewees described the risk-averse funding culture this way:

National funders want to talk about community rebuilding, but few will also talk about the



formerly incarcerated, for example. Well, those are the people who are coming back into communities and shaping them. We need to be willing to talk about mass incarceration and drug laws, but philanthropy doesn't want to talk about these things. Are we providing just enough resources to create a false sense of opportunity? Detroit, for example, needs to be completely deconstructed; there are very deep and hard decisions to be made. Philanthropy sometimes gets in the way of those kinds of decisions.

Advocacy is really what's needed, but people may not have the stomach for that.

Philanthropy's efforts are massively inadequate to the task because we're focused on investment strategies for poverty amelioration and doing very little in terms of getting rid of poverty or promoting a dramatic reduction. There is a big difference between amelioration and eradication, and there is a failure of imagination. We have accommodated ourselves to a high level of poverty; racialized it; rationalized it and not fully appreciated or spoken about its high costs.

Tread New Ground

While innovation is both a buzzword and something of a holy grail in the field, interviewees concurred that there is substantial repetitiveness when it comes to antipoverty efforts—an overemphasis on interventions that are familiar. For example, one expert noted that philanthropy remains focused on

systems change (e.g., within the education, child welfare, and juvenile justice systems) as a poverty amelioration strategy, even though he thought trying to use system fixes to alleviate the disabling aspects of poverty has largely been shown to be “a fool’s errand.” Another described a need to acknowledge that some existing antipoverty programs may need to be reconsidered or abandoned to make room for new and more effective investments. Funders were encouraged to be wary of replicating ineffective practices and to tread new ground.

We all go over the same ground again and again; the same rhetoric and approaches: community organizing, empowering people, building and supporting local leadership, creating a community-wide approach, transforming education, a focus on race and culture. We are forever treading the same paths. Most housing approaches, for example, simply replicate what the community already has.

This foundation has the opportunity to not do what is ‘normal’ to not do what’s been being done in multiple ways and venues without much effectiveness . . . Do we have people on board who are out-of-the-box thinkers? I don’t think we do. We tend to have all like-minded people sitting around the table.

Foundations get talked into something very specific; they bring in subject experts and then, voila, that is what they fund. If you have a hammer you will make a nail and then continue making nails.

The field shapes the field; the money continues to go to what it goes to.

Be Thoughtful on Geography

Selecting where the foundation will invest its resources involves consideration of a complex and intersecting set of data points related to population, governance structures, and a range of strategic issues both internal and external to the foundation. A funder could target cities, states, or regions; focus on rural areas or urban areas; or target selected neighborhoods in one location or across many. These considerations make geography a particularly “live” variable. As one expert described it: “Geographic dynamics are always changing. A few years ago I would have said making progress in the South is too hard, but now some places are possible; I would have recommended focusing on Midwestern states, but many are not so ripe any more. And there are things happening that will have horrible impacts on low-income families in places I never thought would go in that direction.” One expert summarized the task

James Kinley and his wife, Diane, live in a small trailer home. After 37 years of working at a local industry, James started having heart problems that eventually forced him to get a pacemaker and quit his job. His longtime insurance company did not honor his claim for disability and is forcing him to pay back the money he received when he left his job. Though he now qualifies for Medicare, they fear that if Diane’s health were also to decline, rising medical bills would make it impossible for them to keep their home.



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this way: “I would strongly encourage [any] foundation, if they want to work with the deeply poor population, to be both realistic and extremely thoughtful on the geography.”

Perhaps the simplest approach to a geographic selection is to base the decision on where the target population can be found in the greatest numbers. As described in Part 1, there is an identifiable geography of deep poverty in this country; while rates vary by location, there are discernible concentrations. But beyond that, there are a series of strategic questions that are also important to ask:

- Will selection of locations simply reflect where the greatest need among the target population exists, or will it be based on additional landscape considerations, such as the existence of specific programs, thought or investment partners, or the lack thereof?
- As a general proposition, does the foundation want to go to the places where less is being done and plow new ground or to places where there is already an existing body of work and a little bit more could make a big difference?
- Should the selected locations align with other existing foundation-funded initiatives? More than one interviewee noted that since the foundation’s interests span both the environment and poverty, there could be great value in a coordinated strategy that considers, for example, the social determinants of health as they relate to place (the environment) and economic well-being (poverty and opportunity).
- Is there interest (or internal foundation experience) in working at a particular level of governance (i.e., federal, regional, state, city or local/community)?

Consider Work at the State Level

Across the range of advice offered, there was particular concurrence about the potential value of state-level work. Most national policy levers—such as those directed at taxation strategies or social welfare programs, for example—have not fully addressed the level of need experienced by the deeply poor. One expert said: “In many respects we are at a conversational impasse at the federal level and will have to turn to states to get things done. There is really important work to be done at the subnational level.” The current federal budget challenges may make state-level work an even more appealing strategy. And yet, it was noted that state-level poverty interventions receive

insufficient attention, from national-level philanthropies in particular.

Too often this work is either at the national level or in cities/neighborhoods. Few philanthropies are focused on the state level. This is a significant gap that likely occurs because (1) people who aren’t focused on the nuts and bolts of implementation tend to understate how important the state-level role is; (2) the big philanthropies want to do big grants and be national players; and (3) state-level work requires a different kind of infrastructure and/or a decision to give in just one state. But the current trend toward greater state flexibility as a funding tactic in a reduced-resources environment means that how well or poorly states make and implement policy becomes even more important for outcomes for low-income families. Philanthropy has not understood the importance of supporting state-level execution.

Foundations have felt small-scale models are more successful. Some have tried to do direct state-level investments but generally they have ended up with grassroots and random assignment work on a smaller scale.

Connect to Opportunities

A number of interviewees discussed the importance of staying open to live opportunities in the current policy environment, and the importance of assessing what makes sense now, that might not have made sense in the recent past. For example, the implementation of the ACA was often cited as a potentially high-impact vehicle for reaching the deeply poor. Some specific opportunities related to the ACA are highlighted in Part 1. As noted, President Obama’s stated commitment to universal pre-K and minimum wage expansions are other examples. While experts concurred on the value of being nimble enough to take advantage of these and other opportunities that may emerge, one offered this caution: “You have to maintain a balance between keeping the pressure on where there are current windows opening without being so co-opted by the moment that you lose your ability to pursue a longer-term strategic agenda.”

Collaborate Broadly

Multiple experts noted, with some degree of frustration, that today’s large poverty funders tend to want to “own” their own issue, thus making true collaboration difficult. This is a persistent issue, many said, across the fields of poverty and health. One expert



identified a trickle-down effect, in which a failure to collaborate among foundations—as well as across disciplines within foundations—is then replicated in both systems and programs that receive funding.

It's a disease of philanthropy: everyone is searching for novelty, there is no accountability or market signals for foundations and hence this enormous bias for novelty. The downside of this is that others think you're taking care of things.

It is important to not be obsessed with branding separately. Philanthropy often wants to have its own contribution.

Funders tend to be siloed by subject area. There's a little recognition of this—and some movement away from it—but not a lot. For example, one large national foundation with which we work does tend to think more broadly, but, at the same time, comfortably declares 'we don't do health.' Across philanthropy, we would like to see a more open, cross-disciplinary approach.

As highlighted by the experts interviewed, opportunities for collaboration abound:

- Supporting cross-training and deliberate relationship-building activities among service providers as well as policymakers.
- Building intellectual partnerships that can leverage shared agendas, views, and approaches with no money or lockstep required.
- Given that not many funders in this space are politically diverse (most are reflexively left or center-left), creating strategic partnerships with groups across the political spectrum—in particular, working with conservatives to find solutions to poverty.
- Realizing a multifaceted approach—being able to attend to services and benefits, systems change, and advocacy. A number of experts viewed such

an approach as critical to making a sustainable difference at scale.

- Using “collective impact measurement,” an emerging evaluation tool that recognizes and measures the multitude of efforts over time that must combine to achieve a goal.

Collaborating with Government

Several interviewees noted that the resources of even well-endowed foundations will always pale in comparison to the size and reach of major government programs. As a result, one said, when it comes to poverty eradication, “government is the answer.” Another put it this way: “Deep poverty work is not something anyone grapples with well. You need a set of solutions that are incredibly resource intensive. It will require alignment with a lot of deep-end public service sector issues.” As a funder considers its best role in such collaborations, one interview conceptualized it this way: “When it comes to working with government, a foundation can either be ‘the sand in the oyster’—an irritant you need to get the pearl—or the seeder of innovation and possibility.”

Conclusion

All of the approaches discussed here—strengthening publicly funded programs and services, empowering poor people, and educating the public and building good will—are needed to end deep and persistent poverty in the United States. These efforts must involve both the public and private sectors in long-term dedicated strategies, and foundations large and small can lead the way. Without a concerted push from philanthropy, it is unclear if the poorest of the poor, and the multiple challenges they face, will ever be given the attention they deserve.



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NOTES

¹Tax credits are not limited to low-income people. Many high-income Americans also enjoy benefits through the tax code (e.g., mortgage interest deductions and preferential treatment of retirement savings).

²Few of these programs have poverty reduction as an explicit goal, although all of them provide cash, services, or in-kind benefits to people who are poor or near-poor.

³These programs are Medicaid; the low-income subsidy (LIS) for Part D of Medicare (which provides prescription drug benefits); the refundable portion of EITC; the refundable portion of the child tax credit (CTC); Supplemental Security Income (SSI); TANF; the Supplemental Nutrition Assistance Program (SNAP); child nutrition programs; housing assistance programs; and the Federal Pell Grant Program (Costantino and Schwabish 2013).

⁴The dollar amount is loosely based on the cost of a family's annual food needs as a third of total income,

originally developed in the mid-1960s and since then adjusted for inflation.

⁵In part, these differences are an artifact of the way poverty is measured in the United States—based on pre-tax cash income. For example, if benefits such as food stamps and the EITC were considered as part of income in the measure of poverty, child poverty rates would be lower. And if health care expenditures were considered in the measure of poverty, elderly poverty rates would be much higher.

⁶This group includes refugees and undocumented individuals. Because it is difficult to get an accurate count of undocumented people in surveys, this may be an underestimate (Passel and Cohn 2009).

⁷The rate is much higher for nonwhite children—about 1 percent of white children and 15 percent of black children are persistently in deep poverty.



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