

The people who are in this plight are at an enormous physical disadvantage, suffering more from chronic diseases and having less possibility of treatment.

The citizens of the culture of poverty also suffer from more mental and emotional problems than any group in American society.

These figures do not confirm any of the complacent theories that poverty is now in 'pockets,' that it is non-white and rural, and so on. Rather, they indicate a massive problem, and one that is serious precisely because it concerns people who are immunized from progress and who view technological advance upside-down.

I would conclude this chapter as I began it. These are the figures, and there is legitimate reason for sincere men to argue over the details, to claim that a particular interpretation is too high or too low. At this point I would beg the reader to forget the numbers game. Whatever the precise calibrations, it is obvious that these statistics represent an enormous, an unconscionable amount of human suffering in this land. They should be read with a sense of outrage.

For until these facts shame us, until they stir us to action, the other America will continue to exist, a monstrous example of needless suffering in the most advanced society in the world.

AFTERWORD

POVERTY AND THE EIGHTIES

January 1984 will mark the twentieth anniversary of the declaration of an 'unconditional war' on poverty in the United States. When that anniversary arrives, it is likely that poverty in the United States will be at least as tenaciously established as it was when President Johnson declared that war. Indeed, it is not at all inconceivable that there will be *more* people living in the other America in the 1980s than in the 1960s. And it is certain that, under the very best of conditions, poverty will still be a major problem in this country.

Thus, this brief retrospect on what has happened during the past two decades—this book was originally published in 1962—is not simply an exercise in historical scholarship. It is, rather, an attempt to understand the past in order to be able to master the future. For the years since the war on poverty was announced have shown that the outrage of want, and even hunger, in the richest society in the world is rooted in our structure, our institutions, our normal way of doing things. And therefore, if the ideal announced by President Johnson in 1964 is ever to be fulfilled, and poverty banished from this nation, it will take more radical departures in economic and social policy than Johnson ever imagined.

Does this then mean that nothing has been accomplished in this area since the early Sixties? Not at all. There have been, as we will see, real gains, particularly in the period 1963-1969, and some of these, such as alleviation of the poverty of people over

sixty-five years of age, persist until this very day, even though there is now danger of retrogression. Thus I do not want to argue that we failed completely, for that is not the case, but that we underestimated the challenge we had defined for ourselves. If we ever put this issue back on the urgent agenda of the nation—and I think we will, though not in the immediate future—it is critical that we understand this point, or else we doom ourselves, and above all the poor, to yet one more cycle of illusory hope and bitter disappointment.

This overview of the past two decades—this point of departure for the decade to come—will be developed in terms of three central themes. First, there will be an analysis of the interrelationships between poverty and the economy and political movements in the United States. Then, the definition of poverty will be examined carefully, particularly in the light of recent attempts to argue that we have *overestimated*, not *underestimated*, the problem. And finally, there will be a brief review of the programs of the past and an anticipation of the measures that, in the future, could actually eliminate poverty in the United States.

In discussing these issues it will be necessary to use statistics and other abstractions of economic and social analysis. This has to be done, not the least because there are many people who charge that those of us who speak passionately about the crime of poverty do so with much heart and little head. Indeed, it is even charged that by sentimentally persuading people that there is a massive other America, we divert resources from effective programs that could be mounted to deal with the small-scale problem of poverty in this country. In a sense, then, those of us who see the misery of the poor as one of the great challenges to our society must prove our case in a 'professional,' unemotional way.

But after all the statistics are in, the reader is advised to take a walk in any great city in the United States, or to drive around almost any rural area, and to open the eyes, not to the 'data' but to the pinched and hopeless faces of men and women and children forced to live under intolerable conditions. That existential recognition is the beginning of a new war on poverty—and perhaps this time poverty will lose.

To begin with: poverty in the United States during the past twenty years has shown itself to be a dynamic phenomenon, not a static condition. The fate of the people living in the other America is largely determined by roller-coaster trends in the economy and in our political life.

The rediscovery of poverty that occurred in the 1960s took place during the longest period of prosperity in American history. Ironically, it was this relative affluence—and the word 'relative' should be stressed, since a majority of Americans have always had, and still have, a problem making ends meet—that allowed us to see poor again. One reason was that it seemed that a war on poverty would not require anyone to make sacrifices. The cycle of economic boom and bust, the New Economics taught in the Kennedy-Johnson years, was finished. The Government had learned how to 'fine tune' the economy simply by making rather small adjustments in fiscal policy (the U.S. budget) and monetary policy (the Federal Reserve system and the Treasury). To simplify, but not unfairly, in times of unemployment Washington would incur a deficit and loosen up the money supply, which would create the buying power to get the economy moving again. This tactic seemed to have found empirical verification in the success of the Kennedy-Johnson tax cut. That decrease in taxes first reduced Federal revenues by transferring some of the Government's income to private consumers. But as those consumers spent the economy into pros-

perity, Washington actually increased its revenues, its percentage slice was smaller, but the pie from which it was cut was much larger.

Indeed, in a book published in 1969 on anti-poverty policy, Daniel Patrick Moynihan, who had worked on that program under Johnson, said that Washington faced 'a situation utterly without parallel in modern government: administrations that must be constantly on the lookout for new ways to expend public funds in the public interest.' The perpetually growing Gross National Product was going to generate more and more Federal revenue even though taxes had been cut. If Washington did not spend that money quickly, it would depress the economy by removing buying power from it. Therefore, in sharp contrast to the idea that Government must be frugal, successful economic management literally demanded investments in social justice. In the Johnson years, the President and some of the major leaders of American business, such as Henry Ford II, were convinced that this could best be done by a 'partnership' between the corporations and the Federal Government. The private sector would make money building subsidized housing or providing subsidized education, training, and work for the poor; the Government would earn the gratitude of the entire nation; a Great Society would be built.

If by any chance inflation became a problem, it would be dealt with in the same fine-tuned way as unemployment. If too much money was chasing too few goods—the classic definition of inflation—then Government would reduce spending, run a surplus, and increase taxes. That idyll began to unravel because of the war in Vietnam. Lyndon Johnson was afraid to ask the people to finance that unpopular intervention by raising their taxes, and in any case, he always thought that one more burst of escalation would end the conflict. In 1967 the unemployment

rate fell to 3.8 per cent, the lowest since the end of World War II. Theoretically this was the time for Federal restraint, only Johnson ran a deficit of more than \$12 billion that year, mainly because of Vietnam. So inflation rose.

The real shock, however, came two years later, in 1969, when Richard Nixon took over the White House. Acting according to standard liberal theory, Nixon decided to fight the Vietnam-induced inflation by provoking a recession. The unemployment rate went up—but prices did not come down. This was our first encounter with the dominant fact of economic life since: stagflation—simultaneous joblessness and high prices in violation of all these theories and policies for 'fine-tuning.' The poor became the prime victims of this unprecedented reality. During the Kennedy-Johnson years, poverty, as officially measured, went down every year. In 1970 the other America expanded for the first time in a decade because of the recession-inflation. That happened again in 1971, in 1974, and in 1975 because of yet another recession-inflation (the deepest since the Depression of the Thirties); and it is happening in 1980 as this Afterword is being written.

The most obvious victims of the stagflation roller-coaster are the working poor. There were 5.3 million families below the official poverty line in 1976. In almost half of those units—2.45 million—the head of the family worked during the year; in about one fifth of them, the head of the family worked full-time. Obviously these are people in low-paying jobs, often with large families. When a recession hits, they are either laid off, which puts them even further into poverty, or else their bargaining power for wages (which is weak in any case, since most of these workers are not organized in unions) declines. At the same time, a stratum of workers perched just above the poverty line is shoved into the other America for the same reasons.

But then, people who are not in the labor market at all also suffer. These are the dependent poor who receive the bulk of their income from Government "transfer payments" (which is the official name for monies received *not* in return for work, popularly called 'welfare'). Actually this group is much smaller than most people think—in the mid-Seventies only about 40 per cent of the families of the poor were receiving public assistance—but it still includes about two million families, many of them quite large. Over the years there is abundant evidence that the income these people get from the Government varies according to the trends in the economy. When unemployment is high at the same time that wages for working people are losing their real buying power—which is what happened in the "bad" years of the Seventies and is still happening in the early Eighties—welfare payments are not raised. Politically and economically, the United States never lets such outlays get ahead of the market for menial, low-paying jobs. Indeed, in 1976 Charles Schultze, then at the Brookings Institution and later Chairman of the President's Council of Economic Advisors, warned Congress that if it legislated a right to a well-paid job in the public sector for everyone who could not find one in the private sector, it would undercut all the low-paying industries. This point is even more compelling to legislators and business people when it is a question of providing a welfare payment to people who are not even in the labor market.

Only one group among the poor did not suffer the miseries of stagflation as much as the others, although this might change in the future. Social security benefits are 'indexed,' i.e., periodically they are automatically raised in order to compensate for the increase in the cost of living. Moreover, in the Sixties and Seventies the benefits under social security were raised, and the result has been to reduce the number

of the aging poor, as a percentage of all Americans over sixty-five, by about half. So the increased benefits and the indexing protected this stratum from indignities visited by the economy upon both the working poor and the welfare poor.

However, there is reason for a certain pessimism in this area. During the recession of 1974-1975, the monies normally received by Washington from the social security tax fell sharply as taxpayers were laid off from work. The social security system, it must be remembered, is not 'funded,' i.e., the money an individual pays in is not invested to provide for his or her eventual retirement. The social security taxes of the current generation in the labor force are used to pay the pensions of those in retirement; and when the former are old enough, their retirement will be financed by a still younger generation. So a recession reduces the money available for retirees, and a stagflation recession, with its accompanying high prices, increases the amount that must be paid out to them. As a result, the system faced a crisis in the mid-Seventies as revenues went down and obligations went up.

Under those circumstances, President Ford proposed a 'cap' on social security indexing of 5 per cent. That meant that if prices rose by more than 12 per cent in a year, as they did in 1975, retirees would be compensated for only 5 per cent of their lost buying power. Thus a President of the United States was proposing to lower the real standard of living of people over sixty-five years of age. In the debates over balancing the budget in 1980, this same idea was now floated from the center of the political spectrum. Thus, if the aging poor were somewhat exempted from the increase in poverty that afflicted other age groups during the bad years of the Seventies, there are disturbing reasons for believing that this exemption will come to an end if the economy continues to malfunction in the Eighties.

In assessing the fates of the various strata of the other America, I have used the convenient measures of income and buying power in order to fix their relative positions. But there is another, critically important, dimension of the problem, which was visible during the decade of the Seventies. Whenever unemployment mounts, and poverty with it, there is also an increase in social pathology: in alcoholism, drug addiction, family breakdown, and crime. I described this phenomenon in *The Other America* in 1962; it has, alas, continued in more or less the same way ever since. This is particularly disturbing when one looks at racial issues in the United States. Poverty is *not* primarily a phenomenon of race, i.e., blacks are one third of the poor, which is to say that two thirds are white. To be sure, that statistic has a racist content: black Americans are a bit more than 10 per cent of the population as a whole and one third of the poverty population. But that still does not mean that one can equate poverty and race.

However, it is in one particular area that racist outcomes of the economy are most dramatic. Among young blacks and Hispanics in the slums, the unemployment rate of the Seventies often stood at 40 or 50 per cent, that is, it was *higher* than the jobless percentage for the United States during the Great Depression of the Thirties. These young people are denied entry to the labor market at the point at which the first contact with the world of work is normally made. This is bad enough when it happens, but it is a dangerous portent of a future yet to come. For if there is a large and significant population of the youthful poor who are cast on the social scrap heap when they are in their teens, they are likely—almost certain—to provide a disproportionate percentage of the muggers and violent criminals of the Eighties. Society, in short, will pay a tragic price for its callousness. Not so incidentally, it costs more to

keep a person in a prison than it does to send him or her to Harvard.

These economic and social trends do not, in and of themselves, create political trends. For instance, in 1969, when he took office, Richard Nixon clearly believed that he had a popular mandate to dismantle entirely whatever was left of the anti-poverty effort. But various programs of the Sixties had acquired a political clientele. There were, for instance, big-city mayors who had positive stakes in various job-training programs. Therefore, even though the mood shifted in the Seventies, it did not translate into an abrupt end to the programs of the Sixties. There was a political lag that had become institutionalized in a way that frustrated even the enormous power of the Presidency.

However, as the Seventies went on, that lag became less and less of a factor. So it is that one must count political and ideological trends, as well as economic developments, among the determinants of poverty in the United States. The first response to stagflation was a certain move to the Right in the nation. That, by the way, is in keeping with an established tradition. Bad times do not initially make people radical; rather, they become conservative as every individual tries to save him or herself, and there is a bewildered rejection of any kind of collective solution. The gains of the New Deal in the Thirties did not come in 1932 under Hoover, when the Depression was at its worst, or even in 1933 under Roosevelt, but in 1935 and 1936, when there was an upswing in the economy and Americans once again permitted themselves the luxury of hope.

Similarly, we have already noted that the rediscovery of poverty took place in a time of *relative* affluence and declining unemployment. Once again, it was not an automatic result of good times. It is almost certain, for instance, that the surge of social consciousness in the early Sixties would never have

occurred were it not for Martin Luther King, Jr., and the movement he led. Starting with the Montgomery Bus Boycott of 1955, there was a huge, non-violent movement in this country led by one of the most charismatic Americans who ever lived. King did not, in those early years, speak of the poverty of black America. Rather, he concentrated on juridical discrimination—above all, the denial of the right to vote and of access to public accommodations. Still, the obvious fact of the matter was that the blacks who followed Dr. King were from the poorest areas and social strata of the country. With a young and liberal President in the White House—another political variable—the *moral* and political pressure of the Civil Rights movement helped to move the Government in the direction of doing something about poverty.

Indeed, the fate of this book itself was clearly determined by those same factors. Had *The Other America* been published five years earlier or one year later, it would not have had the impact it had. But it came out at precisely the moment when that young President was responding to both the black movement led by Dr. King and the discovery that the unemployment rate was more intractable than he had thought it would be. Kennedy had heard of the book and asked the Chairman of the Council of Economic Advisors if there were anything substantial in it. Told that there was, he read it, and, according to Arthur Schlesinger's history of the administration, it was a factor in making the President decide that poverty had to become an issue. The point is not to go into this footnote to history but to give yet one more example of the ways in which general political, as well as economic, conditions affect our perceptions of poverty.

In the Seventies and the early Eighties, political conditions were the opposite of the Sixties. The black movement was in some disarray, and no one in it

had even begun to replace Martin Luther King, Jr.; stagflation subverted the liberal wisdom of the Sixties, and the initial response was to look back to Herbert Hoover rather than go well beyond Lyndon Johnson and John F. Kennedy. To be sure, the situation was not that of a simple surge to the Right. In various surveys in the late Seventies, as Everett C. Ladd, a relatively conservative political scientist has pointed out, the people demonstrated themselves to be more conservative in general and quite liberal in particular. That is, people agreed with philosophic statements about the ineffectiveness and wastefulness of Federal intervention in the economy *and* simultaneously advocated more federal intervention to deal with unemployment, the environment, health care, and the like. There was, however, one significant exception: people were conservative in particular about 'welfare,' i.e., about doing something about poverty.

This tendency was reinforced by the fact that a number of analysts expected the poverty problem to be solved by demographics in the Eighties.

By 1985 the 'postwar baby boom'—that vast increase in births initiated by the returning veterans in the late Forties and continuing into the early Sixties—will have ended within the labor market. At that point, the new yearly entrants to the work force will begin to decline in number, and there will be a smaller labor force. All other things being equal, this means that the unemployment problem will be easier to deal with, and therefore poverty, insofar as it relates to joblessness, will decline. But all things are never equal. For one thing, the 'full employment-unemployment rate,' which is our official definition of how well we are doing in this area, has been moving steadily upward over the past decade. John F. Kennedy said that full employment was reached when unemployment hit 3 per cent; Lyndon Johnson raised that figure to 4 per cent; Nixon-Ford and,

Jimmy Carter set it at around 5 per cent; and in 1980, one of the top economists in the nation, Martin Feldstein, wrote in the *Wall Street Journal* that the number may be as high as 8 or 9 per cent. When that rate is reached, inflation begins, and the Government starts to cut back on spending.

In other words, it is official doctrine that the American economy now requires roughly 5 million unemployed people (about 5 per cent unemployment in a labor force of nearly 100 million) in order to function "normally" and it is being unofficially computed that the jobless must be 7 to 19 million if things are to proceed in an orderly fashion. By that stroke of statistical definition, an enormous amount of poverty is "justified" in good times. The Nixon recession of 1969-1971, which set off the first increase in the other America in a decade, did not see joblessness rise above 5.9 per cent, i.e., the rate which is now considered approximately at, or even below, 'full employment'.

If then one believes, as I have argued at book length in *Decade of Decision: The Crisis of the American System*, that the Eighties are likely to see difficult economic weather and inadequate political responses, at least in the first years of the decade, then one comes to a gloomy assessment of the future of the poor. Under those circumstances, there could well be more poor people in 1984 than there were twenty years earlier, when Lyndon Johnson declared that 'unconditional war' on poverty.

There are some serious and informed people who say that all of the figures I have used in making this case are grossly exaggerated—that there is actually less of a poverty problem than we think, not more.

In *The Other America*, I used a very rough measure of poverty, setting it at an annual income level of \$3,000 in the late Fifties. After Johnson announced his program, the Federal Government undertook the

creation of a systematic definition of the term, which was then used in legislation. The new, and more precise, concept was developed by Molly Orshansky at the Social Security Administration. Orshansky took the Department of Agriculture's economy food plan, the cheapest nutritionally sound food budget, and then, based on a 1955 study that showed that families spend one third of their income on food, multiplied the cost of that food plan by three. Thus a family that had less than three times the amount required for that minimal food outlay was considered to be poor. The cost, but not the nutritional composition of the economy food plan, was revised to take into account price increases, and the measure was adjusted for family size. There is not, therefore, one poverty 'line' in the United States, but a series of poverty lines that vary by family size and, to a certain extent, by geographic location. (Farm families, which are presumed to grow some of their food, have a poverty 'line' that is between 70 and 85 per cent of the corresponding non-farm level.)

In the 1970s, when there was the shift toward the Right described earlier, the statisticians followed the politicians. I am not suggesting a plot, but simply arguing that in the Sixties a scholar received approbation for pointing out the poverty we had ignored, and in the Seventies praise came to those who discovered the poverty we had exaggerated. The critique of the poverty definition can be most clearly seen in Martin Anderson's *The Political Economy of Welfare Reform in the United States* (1978), which held that 'the growth of jobs and income in the private economy, combined with an explosive increase in government spending for welfare and income transfer programs, has virtually eliminated poverty in the United States.' Anderson is a conservative scholar, and his volume was appropriately published by the (Herbert) Hoover Institute. The Congressional Budget Office (CBO) made even a more serious attack on

the poverty concept, since it is legislatively mandated to be non-partisan and was, at the time of the attack, under the direction of a liberal economist, Alice Rivlin.

The central theme of the CBO attack was that the Government had based its definition of poverty on *money* income alone. But that ignored the vast increase in 'in kind' programs, in which people received free, or subsidized, goods or services, rather than money. The most important cases in point are health (Medicare for the aging, Medicaid for some of the poor) and food (Food Stamps). When the cash value of these 'in kind' programs—valued by their cost to the Federal Government—was added to the money income of the poor, about one third of the poverty in the United States vanished. Some of the people who made this argument were liberals. By overstating poverty, they said, one convinced people that Government action in this sphere was ineffective and thus gave a rationalization for a decrease in expenditures, not an increase.

If the CBO had made its points about 'in kind' income in the course of a balanced redefinition of poverty, much of what it said would be compelling. One could still question some of the assumptions—for instance, do the poor actually receive health care equal to the cost of Medicaid, or isn't it possible that some of that money is poorly and ineffectively spent or even ripped off? But the basic point would have a considerable validity. Then, however, one would also examine all of the possibilities of an *undercount*, as well as any overcounting. For instance, there is a huge population of 'undocumented' workers in the United States (mainly Mexicans in the Southwest and people from the Caribbean in the Southeast and North-east). They are not counted in any of our figures since they do not want to be identified by any agency of the Federal Government. The Census undercount of these people has been estimated as being as high

as 10 million individuals. Most of these people are poor, but they are not in any of our definitions, and they do not receive, for the most part, any of the 'in kind' benefits.

Molly Orshansky and others have argued that the original definition was too low for a number of technical reasons (not only is it necessary to upgrade the cost of the economy meal, but the character of the meal itself should be redefined). Not so incidentally, most Americans agree with Orshansky rather than with the CBO. When pollsters ask people how they would define poverty, the answer is surprisingly uniform: they locate the 'line' at one half of median income. (Median income is the figure of the fiftieth percentile of the population, i.e., one half of the population have more and one half less than the median.) In 1977 the poverty 'line' for an urban family of four was \$6,191—but the 'line' as the average American would define it, at one half median income (for families in this case), would have been at \$8,613 in that year.

In *The Other America*, I used inadequate Government figures and more than a little intuition to argue that between 40 and 50 million people were poor. When the Government became more precise about the problem, it computed that in 1959—the year upon which most of my figures are based—the poverty population was about 39.5 million. In short, it concluded that my lower estimate had been approximately correct. By that same measure, Washington said that in 1976, about 25 million Americans were poor. The CBO found that this figure overestimated poverty by about 35 per cent. But if one accepts my critique of the CBO, then there are more poor people than the Government estimates, not less. And if the previous analysis is right, there will be still more in the early Eighties because of economic and political trends. Where the government in 1976 found 13.5 per cent of families poor, and the CBO said that the

percentage was actually 8.3 per cent, I think it was closer to 20 per cent.

But does that mean, as some of the CBO's advocates say, that I am arguing that all of the Federal programs of the past failed? And if so, how does one formulate an approach to ending poverty in the future?

To begin with, some of the programs of the past were effective. In the Kennedy-Johnson years, eight years of steadily decreasing unemployment allowed a significant number of the working poor to escape from poverty. To be sure, the Seventies, under Nixon, Ford, and Carter, and now the Eighties, prove the converse: that rising unemployment pushes people down into the ranks of the working poor. But we know that progress is in fact possible in this area, a point to which I will return. Also, there were other programs that made a difference. The Food Stamps program is the most obvious case in point. Expenditures in this area increased steadily, providing an example of a truly *Federal* program that works. ('Welfare'—mainly Aid for Families of Dependent Children—and Medicaid are partly financed by Washington but designed by the states, which means that there are enormous variations in terms of eligibility and benefit levels; Food Stamps are distributed uniformly, according to Federal criteria.) Some of the job-training programs of the Sixties succeeded; others did not. The same is true with regard to expenditures for education. (These judgments are documented in *The Promise of Greatness*, by Sar Levitan and Robert Taggart, and by Henry Aaron in *Politics and the Professors: The Great Society in Perspective*.) And increases in social security benefits, as well as their being indexed, has had a dramatic impact upon the poverty of people over sixty-five years of age.

Therefore I am not saying that the programs of the Sixties all failed, but that the problems they

challenged turned out to be more complex, more rooted in our institutions than had been imagined. If the euphoric hopes of the Kennedy-Johnson years had turned out to be right and the Gross National Product had increased steadily with stable prices, *then* it would have been relatively easy to end most poverty. (But not all: large families headed by a woman increased their poverty in good years as well as bad.) But those hopes were dashed, and the reason for that development is rooted in the structural tendencies of the American economy toward boom and bust. Therefore, if the poor are going to be rescued from their plight, it is clearly necessary that this country solve the problem of stagflation, which does not appear imminent in the early Eighties.

There is a related difficulty. On the day after the 1972 election, Richard Nixon granted a long interview to the *Washington Star*. In it he formulated his famous, and very influential, judgment that the Sixties 'threw money at problems', i.e., that there was lavish spending for the poor which, on the whole, was not effective. As we have seen, some of the programs were effective: the simple expedient of increasing the incomes of the aging has rendered their lives somewhat less miserable. When people suffer from a marked deficiency of income, 'throwing money' at that problem is an efficacious way of proceeding. But more important, there is a widespread exaggeration of the amount of money spent on the poor. Henry Aaron has shown that the innovations of the Sixties actually provided more money to the non-poor than the poor (Federal subsidies to college education are a dramatic illustration). And Charles Schulze has computed that there has been no increase in the portion of real output spent by the Federal Government between the presidencies of Eisenhower and Carter, i.e., over a quarter of a century.

The one group that did get significant increases

from Washington in this period was the aging: two thirds of the new Federal expenditures in the Sixties went to social security and Medicare. But this is precisely the group that most people are sympathetic to, not the least because they will join it one day. Thus when one looks at the truly controversial programs—aid to minorities, to slum neighborhoods, and the like—they did not receive much at all. Charles Schultze has estimated their increment between 1965 and 1977 at \$35 billion, or 1.7 per cent of the Gross National Product. That is not a huge sum, and, in any case, the non-poor got much more. Part of the difficulty in this area has to do with Lyndon Johnson's expansive rhetoric. Johnson used to talk as if his administration were recreating the world every morning. It didn't, and people exaggerated the failures of those years because they exaggerated the outlays.

But, assuming that at some point in the Eighties the issue of poverty will once more be on the urgent political agenda, how can we eliminate the outrageous paradox of desperate human need in a relatively rich society? The answer to that question is implicit in the analysis I have made. First, and foremost, the absolute pre-condition to ending poverty is full employment—with full employment defined as jobs seeking workers, as in World War II, and not, as we now do, as an incredibly high level of tolerated joblessness. Full employment would allow us to eliminate the poverty of the working poor through the labor market (when unemployment was 1 per cent during World War II, blacks and women made the greatest relative gains ever), and would provide the economic and political basis for attacking the poverty of those not in the labor market.

Secondly, we could eliminate all of the remaining money poverty of the aging by increasing social security benefits to the point where they would leave no one with an income deficit.

Thirdly, the most tenacious poverty in the land—that of the fatherless families in the slums and ghettos—requires a commitment to planned development of viable neighborhoods for everyone in the society. That means that the current destruction of vast areas of the great cities of the Northeast and industrial Middle West has to be stopped. Here, too, full employment policy would be a key, e.g., by locating a Government-owned solar energy plant in the midst of a devastated community, or by creating new communities on both new and old land.

I will not go into further detail—I have done so in *Decade of Decision*—for my point is clear enough. On the one hand the unprecedented problems of a stagflationist economy make the eradication of poverty more difficult than in the relatively prosperous Sixties, when the economic indicators obligingly behaved the way the economic theories said they should. On the other hand, there are programs—above all, a planned full-employment economy—that could make it possible to put an end, once and for all, to the other America. But those effective programs require relatively radical new departures, policies that go as far beyond Franklin Roosevelt's and Lyndon Johnson's liberalism as their liberalism went beyond Hoover's conservatism. For the twenty years since the rediscovery of poverty have demonstrated that this outrage is much more structural, more institutional, than we dreamed. There is no way that the business-as-usual of the Seventies will end poverty in the Eighties.

I end this review, then, on an ambivalent note. There was progress; there could be more progress; the poor need not always be with us. But it will take political movements much more imaginative and militant than those in existence in 1980 to bring that progress about. Until that happens, the poor will be with us.

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THE OTHER AMERICA

Michael Harrington was born in 1928 in St. Louis and educated at Holy Cross, Yale, and the University of Chicago. He was associate editor of the *Catholic Worker* from 1951 to 1953. A member of the Socialist party since 1953, he has participated in civil-rights and disarmament movements. He is chairman of the board of the League for Industrial Democracy and, in 1964, was a member of Sargent Shriver's task force against poverty and unemployment. In 1965 and 1966 he was an adviser to New York City's mayor. *The Other America*, which established Mr. Harrington's reputation as an outstanding social critic, has been followed by *The Accidental Century, Toward a Democratic Left, Socialism, Fragments of the Century, The Twilight of Capitalism, The Vast Majority, Decade of Decision: The Crisis of the American System*, and *The Next America: The Decline and Rise of the United States*.