

THE CONFLICTED American:

Public Opinion on Poverty, Income Inequality, and Public Policy

Remarks by Tamara Draut at the annual conference of the Neighborhood Funders Group

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Good afternoon. Thank you for inviting me to speak here today.

I've been asked to speak to you today about public opinion on poverty and economic security issues. I recently completed a review of polling data over the last five years on this subject as part of a larger project at Demos. All of you should have a copy of the report, <u>New Opportunities</u>, which came out of this review. The goal of this research was to explore the challenges of generating broad public support for the goals of ending poverty and creating a more equitable society. Today, thanks to years of policy innovation—much of it funded by the institutions represented in this room—we have a range of powerful ideas for building economic security and opportunity. But what we don't have is the thing we need most of all: The public and political will to enact these ideas on a broad scale. One of the reasons why is that over the last twenty years we've had trouble framing these issues in a way that resonates with American core values.

What are these values? Well, when we're talking about people's beliefs on poverty we're tapping into the same value system that fuels The American Dream. Values such as individualism, the belief in hard work; and egalitarianism, the belief in equal opportunity. These competing values go a long way in shaping people's beliefs about the source of poverty, and its solutions.

As a result, when we look at the polling data, what we see, are lots of interesting contradictions. For example: 80% of people *strongly* agree – that as a country we should make sure that people who work full time *should earn* enough to keep their families out of poverty.

Yet, when asked if people should take responsibility for their *own* economic well-being and not expect others to help—well, 78% of Americans *also* agree with this statement. *And* respondents agree, with the statement that most people can get ahead if they just work hard enough.

So, on the one hand people believe that if you work hard you shouldn't be poor. On the other, if you're not getting ahead it's probably because you aren't working hard enough. If these opinions were held by two different types of people, the task at hand would be a lot simpler. But, these aren't two different types of people. What we have here is an internal tug of war occurring in just about every American.

To begin making some sense of these conflicting beliefs, I think it's helpful to take a step back from the world of macro-level survey research and into the more micro-level world of everyday conversations.

In my own day to day life, in the conversations that I've had—at barbecues, parties, anytime I meet somebody new—there's a common thread that emerges. And I think it helps humanize the numbers in the polling data. It starts as soon as someone asks me what I do for a living. I tell them I work on issues of poverty and economic insecurity and then I brace myself for the inevitable—which is deep skepticism about whether poverty is really such a problem anymore. And skepticism about whether people who are poor are working hard enough. And concerns that hard earned tax dollars are making it easy for people to shirk responsibility.

I am now face to face with what I like to call the Tough American.

The Tough American wonders how it is possible that so many people are poor when all it takes to get ahead is hard work. The Tough American is always worried that people aren't working hard enough,

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or perhaps that they're cheating the system. The Tough American is the embodiment of individualism – the pull yourself up by your bootstraps mentality.

I respond to The Tough American by talking about stagnating wages... the explosion of the low-wage job sector ...rising health care costs... and how the majority of poor families are working families, and so on. This usually tempers their skepticism enough for me to start talking about solutions. I talk about the need for access to affordable childcare, increasing the minimum wage, universal health care, and the need to help people save and build assets. And by the time I'm finished, more often than not, I find myself talking to the Fair American.

The Fair American believes we should live in a country where a full time job is a *guarantee* against poverty. The Fair American worries that equality of opportunity is a long lost ideal in our society. The Fair American supports a slew of policies to improve economic well-being and opportunity.

This portrait of the conflicted American helps explain why on the one hand many people blame lack of individual effort for poverty, and on the other, recognize that the playing field is far from level.

Nowhere is this more evident than when we're talking about welfare. New polling data shows there is persistent skepticism among the public about the work ethic and motives of welfare recipients. When asked about the welfare system, the majority of people say they are greatly worried that too many people take advantage of the system instead of trying to get ahead. They are also greatly worried that even with the new work requirements of welfare, too many able-bodied recipients are still not working or even trying to find work.

The polls also show skepticism on a more general level. Take the statement, "Most people who don't get ahead should not blame the system, they only have themselves to blame." Over 70% of Americans agree with this statement.

If we were only dealing with the Tough American we'd be in trouble.

Fortunately, the data tell us otherwise. There is wide recognition among the public that the playing field *isn't* level. A full 79% agree with the statement that there would be fewer problems if people were treated more equally. And the majority of people believe the government has a responsibility in solving these problems. A study released last month by the Ms. Foundation found that more than *four out of five* voters agree that the government should do everything possible to improve the standard of living of all Americans. And a full 80% agree that the government has a responsibility to do away with poverty.

Furthermore, two-thirds of likely voters believe that the income gap between the wealthy and other Americans has grown so big that something needs to be done about it. To close this income gap, *over* 90% support expanding tax credits, creating public works jobs and expanding childcare subsidies.

To be sure, if we were only dealing with the Fair American, we'd be in great shape.

Up to now, I've only talked about where the public stands on broad questions of responsibility and equality. It makes sense to start at these more value-oriented beliefs, because without that understanding, we might be tempted to interpret the overwhelming support for a range of policies as a

big green light for change. After all, the public says they want some form of universal health care...they want the minimum wage increased...they want subsidized child care...they want expanded tax credits. The list goes on. It includes majority support for everything from public job creation to increased investment in affordable housing. And very importantly, 2/3 of those who support these policies say they are willing to pay *more* in taxes to enable these reforms.

And herein lies the rub. To really persuade the public and create mobilized action, we've got to light a fire in the Fair American and neutralize the hard doubts of the Tough American. Easier said than done.

To do this, I believe we need to develop a new story. A new story about building economic security and opportunity for all Americans in the 21st century.

If we look back at the *last* century, we see powerful stories that fueled massive change. During the New Deal and Great Society eras, debates over economic security were framed by a values-based story of fairness, compassion, and faith in collective solutions. It resonated with both the public and political leaders. It fired up the Fair American and kept the Tough American at bay. The dominance of this story helped account for the major legislative victories up through the 1970s.

But then in the 1980s and early 1990s, a new story caught on and took a very divisive and highly racialized turn. This story told us that a lack of personal responsibility was to blame for poverty, and it positioned government as the problem, not the solution. It linked welfare to a range of social problems – such as crime, drug use and teen pregnancy. These connections hit a nerve in the public – this time inciting the Tough American. This story ushered in a slew of cutbacks, and a steady retrenchment in public investments and services.

Nothing has really replaced this story yet. But the good news is that it no longer dominates the debate. So today, there is no grand story leading the discussions over economic insecurity—and this provides advocates with an enormous opportunity to reframe the debate and recapture the public.

There's no question that this is a major challenge. But it's made easier by shifts in our political and social context. These shifts have developed over the last five years — some of them came from events in the last 6 months. The result is battle lines that were once drawn clearly, are now quite blurry.

The first shift comes from the transformation of welfare to a work-based system. Five years after welfare reform, the divisive distinctions between the "welfare poor" and the "working poor" have diminished. Americans now support extending many of the benefits available through the welfare system like child care and health care subsidies to all low-income working families. A full 81% believe that the working poor should be eligible for the same kinds of help that people who are transition from welfare to work get.

Another contextual shift is marked by the end of the big economic boom – with many Americans feeling left behind and uncomfortable with the resulting income inequality. Over 1/3 of Americans considered themselves a have-not in 2001, compared to only 17% who felt this way in 1988 when that decade's boom was coming to a close. Add to this distress more than two decades of stagnating wages, declining job mobility and skyrocketing home and rental prices – and it isn't surprising that the majority of Americans can now more easily identify with many of the issues lower income families have faced for decades.

There is also some evidence that the events of September 11 have facilitated a values shift away from the hyper-capitalism and consumerism of the last two decades. Polls show trust in government at the highest its been in over 30 years. Robert Putnam's new research shows that Americans are beginning to turn outward and want to feel part of a community greater than themselves. Although these values shifts haven't yet translated to changes in behavior, they hold the promise for a more community-oriented and humanistic outlook.

These contextual changes provide a new opening for advocates to advance a massive agenda for reform. But to be effective, we need more answers. Because while there is an enormous amount of public opinion data about poverty issues, none of it is really aimed at searching for a new story that can connect the dots, and connect with peoples' values.

We need new research that digs deeper into people's values—that can tell us what triggers the Tough American and what excites the Fair American. At Demos where I work, we are beginning to tackle this challenge, and I know a lot of other groups are beginning to spend significant resources on strategic communications. But this work is only in the beginning stages. While the last two decades have brought major new innovations in our policy approaches, the way we talk about these issues has lagged far behind.

Nonetheless, there are some themes that emerge from the polling data about what the new story might be. This story might stress that in a country where nearly everybody *should* and *does* work there are far too many families scraping by. This story might criticize not the welfare system as the source of the poverty problem, but the new economy that does not adequately reward work. And the new story may also take a higher ground by spotlighting the grave disparities in wealth accumulation—and the importance of ownership in one's home as well as community.

There are lots of powerful stories we could tell. Finding the messages that can reach into the heart of Americans and inspire the will to create a more perfect union is a challenging—but not insurmountable—task.

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