



# From Poverty to Opportunity: The Challenge of Building a Great Society

*Mass. Budget and Policy Center  
November 10, 2014*

A report commissioned by



Underwritten by



This report was researched and written by Nancy Wagman, Kids Count Project Director at Mass. Budget and Policy Center (MassBudget). MassBudget gratefully acknowledges data support provided by the Center on Budget and Policy Priorities, the Economic Policy Institute, and the Population Reference Bureau.

We also acknowledge Joe Diamond, MASSCAP; Kathleen McDermott, MASSCAP; Clare Higgins, Community Action of Hampshire, Franklin, and North Quabbin Regions; and Suzanne Morse, O'Neill and Associates for their helpful review and comments.



This research was also funded in part by the Annie E. Casey Foundation. We thank them for their support but acknowledge that the findings and conclusions presented in this report are those of MassBudget alone, and do not necessarily reflect the opinions of the Foundation.

## From Poverty to Opportunity: The Challenge of Building a Great Society

*"You have the chance never before afforded to any people in any age. You can help build a society where the demands of morality, and the needs of the spirit, can be realized in the life of the Nation.*

*So, will you join in the battle to give every citizen the full equality which God enjoins and the law requires, whatever his belief, or race, or the color of his skin?*

*Will you join in the battle to give every citizen an escape from the crushing weight of poverty?*

*Will you join in the battle to make it possible for all nations to live in enduring peace – as neighbors and not as mortal enemies?*

*Will you join in the battle to build the Great Society, to prove that our material progress is only the foundation on which we will build a richer life of mind and spirit?*

*There are those timid souls that say this battle cannot be won; that we are condemned to a soulless wealth. I do not agree. We have the power to shape the civilization that we want. But we need your will and your labor and your hearts, if we are to build that kind of society."<sup>1</sup>*

President Johnson's Great Society Speech, May 22, 1964

With those words, President Johnson described his vision of a "Great Society," an America that provides opportunity and dignity for everyone, of every race, region, and background. He declared that the challenge of the next half century would be to see whether we have the wisdom to use our nation's great wealth "to enrich and elevate our national life, and to advance the quality of our American civilization." At the start of his presidency, President Johnson also declared an "unconditional war on poverty in America." The goal, he said, was "not only to relieve the symptom of poverty, but to cure it and, above all, to prevent it."<sup>2</sup>

These goals were set at a time when economic growth in America was leading to rising wages across the income spectrum. Each year, as the economy grew, wages grew at roughly the same rate. Policies and programs that helped people onto the escalator of rising wages could put their families on a path to a middle class life. But beginning in the 1970's, that escalator stopped. Productivity continued to increase and our economy continued to grow, but the new income created by that growth has gone overwhelmingly to the wealthiest Americans. With an economy creating virtually no wage growth for millions of working people and increasingly extreme inequality, the challenge of reducing poverty and expanding opportunity is more daunting than it was fifty years ago—even though we are a much wealthier country.

Great Society policies that were designed to empower more people to participate effectively in an economy that was generating wage growth across the income spectrum have, in recent decades, been operating in a world where getting a job and working hard no longer provides a clear path out of poverty. The Great Society programs listed below and discussed in this paper have lifted millions out of poverty, helped to make our nation more inclusive, and expanded opportunity for many of our children.

The effectiveness of anti-poverty programs, however, will be severely constrained until our national government is able to implement economic policies that restore the link between productivity growth and wage growth.

The Great Society envisioned by President Johnson demanded "an end to poverty and racial injustice" and a clear strategy for achieving those goals.

Among the highlights:

- The Civil Rights Act, outlawing discrimination;
- Creation of a network of community action agencies to engage and empower low income people in alleviating poverty in their communities;
- Food stamps (now SNAP) to combat hunger;
- Establishment of Head Start to help prepare poor young children for school;
- Expansion of federal funds for elementary and secondary school education and college grants for low income students to expand education;
- Creation of the Medicare and Medicaid health insurance programs;
- Support for public radio and television;
- Major environmental protection legislation;
- Large investments in publicly-subsidized housing;
- Consumer protection legislation;
- Immigration reform;
- Increases to the minimum wage.

These were transformative pieces of legislation with legacies that stretch to the present. Yet in spite of these broad-sweeping initiatives, changes in the structure of the economy have not allowed the promise of the Great Society to be fulfilled.

The failure of our national economy to generate wage growth in line with economic growth slows the progress of middle income families and consigns to poverty many of those in low wage jobs.

There are hundreds of thousands of children in Massachusetts who live in the families left behind by today's economy. Poverty at the start of life has long term implications for success in school, emotional well-being, health, and the likelihood of future economic success. Child poverty matters, both because all of our children deserve an opportunity to thrive, and because

the well-being of children today is the foundation of the economic well-being of Massachusetts in the next generation.

### A Tale of Two Economies

Massachusetts is one of the wealthiest states in the nation,<sup>3</sup> and overall income has grown substantially over the past several decades. But the overall average masks that this wealth and prosperity has primarily raised the incomes of our highest income families, and done very little to improve the lot of middle and lower income families. This pattern is part of a national pattern, but it stands in sharp contrast to the way our national economy worked in the decades immediately following World War II.

*"The Great Society rests on abundance and liberty for all."*

The post-World War II period in which President Johnson worked to build the Great Society was a time when average wages were growing at roughly the same rate as the overall economy.<sup>4</sup> The prosperity that came from economic growth flowed to workers at all wage levels (see Figure 1.) That's not to say that there were no poor people during this period, because there were. There was deep poverty particularly in the rural areas of the South and in the central cities. But in general for people who were employed, rising wages brought about a rising standard of living across the board.

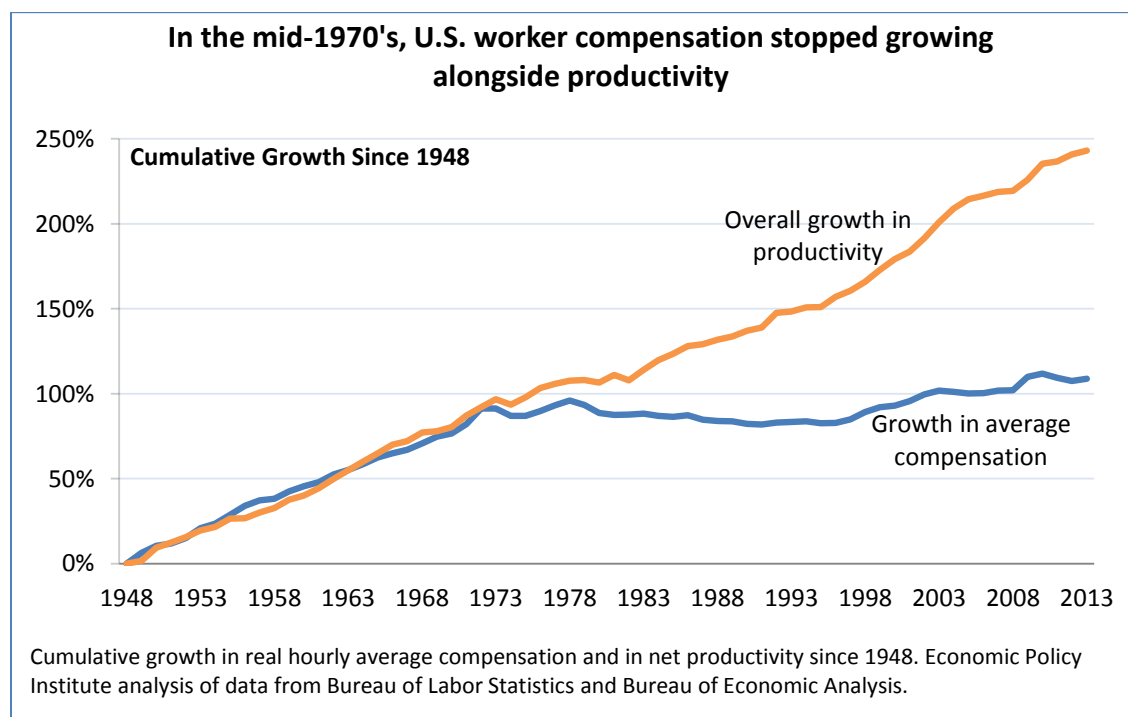
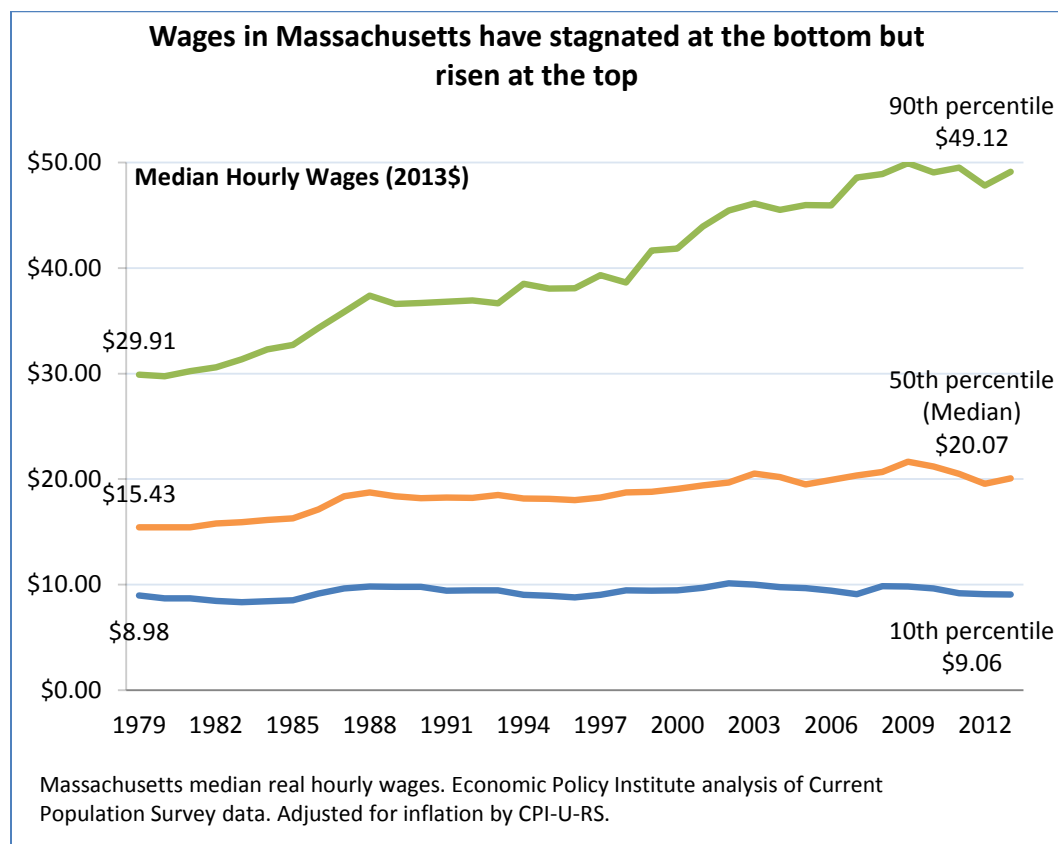


Figure 1

In the mid-1970's, however, there was a notable disruption in this pattern. Productivity continued to grow at about the same pace as it had in the past, but average wages stopped keeping pace. With more of the fruits of economic growth going to profits rather than wages, and wage growth going mostly to CEO's and others at the highest end of the income spectrum, fewer are benefitting from economic growth and inequality is becoming increasingly extreme.<sup>5</sup>

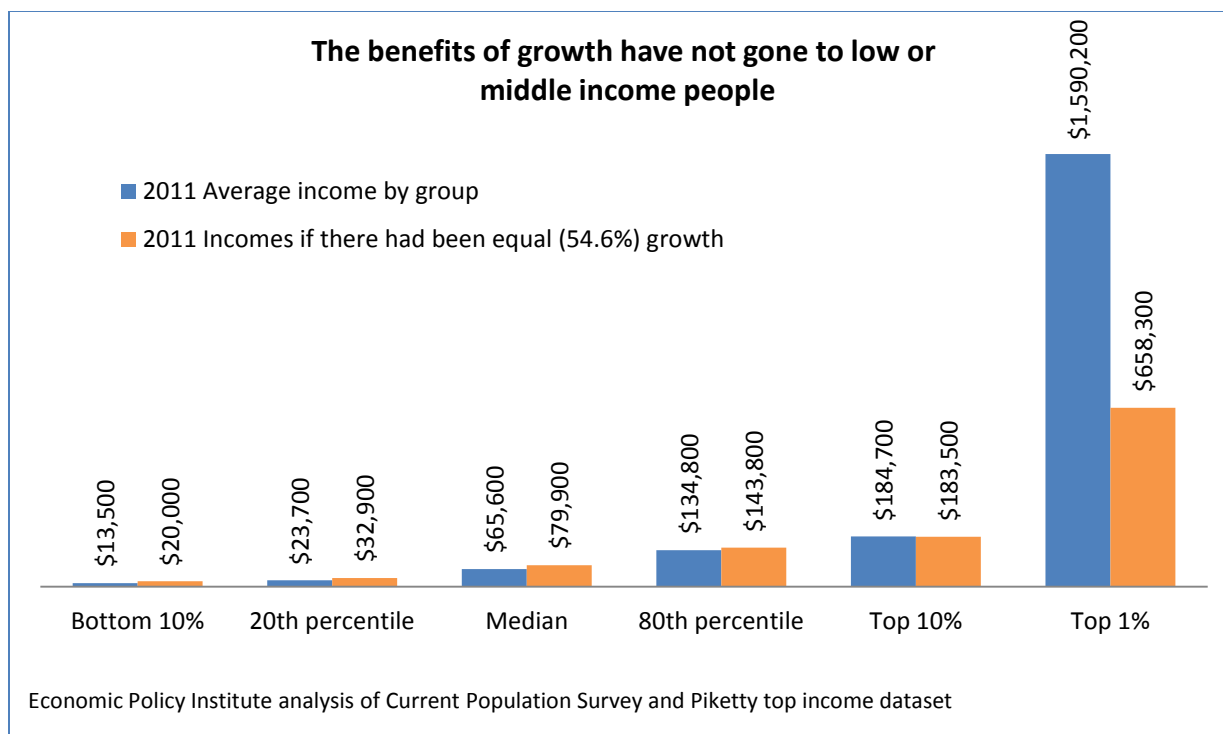


**Figure 2**

Comparing wage growth since 1979 for low wage workers, middle wage workers and high wage workers shows an alarming contrast: people with the lowest wages had almost no real wage growth, and people with wages in the middle had little real wage growth. People who had higher wages, however, had significant wage growth (see Figure 2.) When adjusted for inflation, wages at the top 10 percent increased by 64 percent over this period.<sup>6</sup> In the most recent years, during the current weak recovery, lower- and mid-level wages have actually declined. Even wages for the top 10 percent in recent years have flattened.

Since 1979 the economy itself has grown significantly. Overall productivity has grown 125 percent, a rate almost twice that of even growth for wages for the top 10 percent.

Wealth created by the economy's growing productivity has clearly neither flowed to workers at the bottom, nor hardly even to workers in the middle; the vast majority of the increase in wealth in the past three decades has gone to the very wealthiest in Massachusetts (see Figure 3.)



**Figure 3**

If incomes at each level had grown at the same rate as overall incomes grew in Massachusetts between 1979 and 2011 (approximately 55 percent), incomes for lower and middle income families would be thousands of dollars higher than they are today. For example, for a person at the tenth percentile of the income distribution, instead of an income of \$13,500 in 2011 that person would have been earning \$6,500 more. The incomes of the highest income households would also have grown over those three decades – but they would have grown by the average rate of 55 percent rather than by the 270 percent that those incomes actually grew.<sup>7</sup>

*"Your imagination and your initiative, and your indignation will determine whether we build a society where progress is the servant of our needs, or a society where old values and new visions are buried under unbridled growth."*

One of the shifts during the 1970's leading to this change was a significant decline in manufacturing employment, which was a heavily unionized sector. In 1970, more than one-quarter of the Commonwealth's jobs were in the manufacturing sector. By 2006, manufacturing constituted just 8 percent of Massachusetts jobs.<sup>8</sup> The loss of manufacturing meant a decline in unionized jobs that provided good wages and benefits.

As manufacturing declined during this period, employment in the service industries expanded. In 2012, the largest employment sectors in Massachusetts were health care, retail, professional services, the hotel and restaurant sector, and government. Since the most recent recession, those employment sectors that historically provided higher-wage job opportunities for workers with

just a high school diploma – such as manufacturing – gained relatively few jobs, compared to low wage employment in hotels and restaurants, retail sales, or other service jobs.<sup>9</sup>

This imbalance further exacerbates inequality between the highest wage workers and everyone else as middle wage work gradually dwindles. Lower wage employment has grown 9 percent since 2001, and mid-wage employment has fallen by 7 percent.<sup>10</sup>

### The Impact on Low Income Families

Stagnant wages have created hardships for many, but low income women and families have been particularly hard hit. Mothers with at least one child age three or younger are more likely than others to be in low wage jobs. They are only 4 percent of the total Massachusetts workforce, but 16 percent of those in low wage occupations.<sup>11</sup>

Stagnant wages create particular challenges for families with only one earner. About one-fifth of the Commonwealth's families are headed by a single female. For those families, the median family income is only \$37,000. This is well below the median income of \$84,000 and only twice the poverty level. For families headed by a single male, the median income is approximately \$55,000.<sup>12</sup> For these families, it is particularly difficult to earn enough to cover housing, child care, transportation costs, and other basic necessities.

### Changes in the Economy Make it Harder for Workers to Escape Poverty

Stagnant income at the bottom of the wage spectrum has meant that Massachusetts has not been

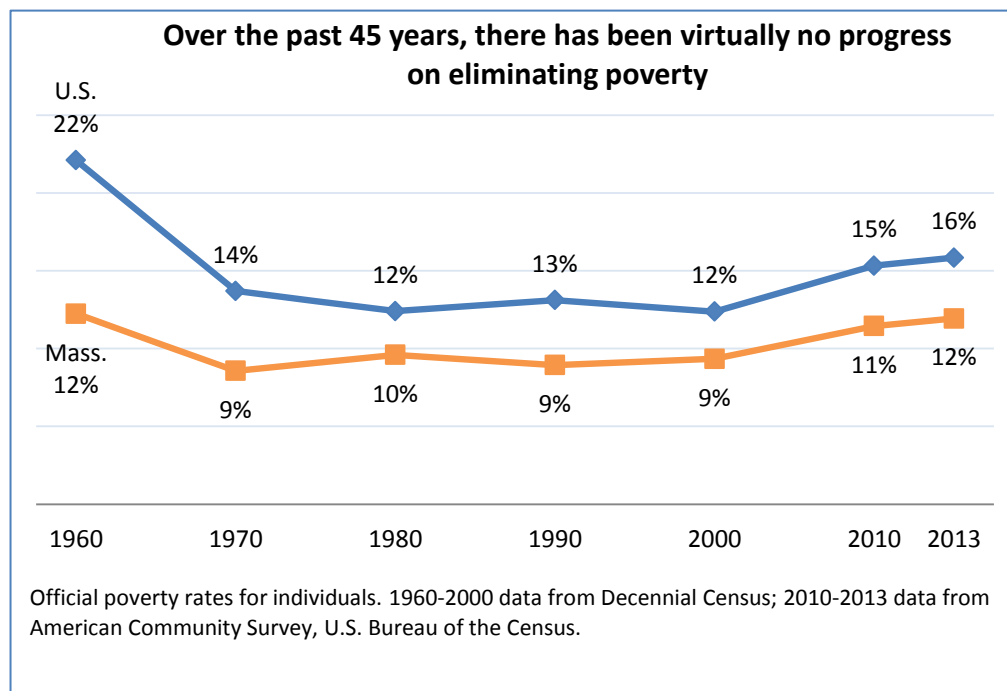


Figure 4



able to make significant progress in eliminating poverty (see Figure 4.) The poverty rate nationally and in Massachusetts dropped during the first decade of the War on Poverty<sup>13</sup>, in large part due broadly shared economic growth and the support of Great Society programs. Progress on reducing poverty then stalled, and in recent years poverty has been increasing again.

Twenty-five years ago, close to one in five residents in Massachusetts was poor or near poor (incomes under 200 percent of the poverty level.) Today that number is one in four (see Figure 5.)<sup>14</sup>

The official poverty rate for a family of three is an annual income of \$18,800.<sup>15</sup> For families without housing subsidies, median statewide rent is approximately \$1,100 a month, or \$13,000 a year.<sup>16</sup> This leaves almost nothing for food, utilities, health care costs, clothing, transportation or other necessities.

Twice the poverty rate is approximately \$37,538 for a family of three. With the high cost of living in Massachusetts, families who are living under the official poverty level are effectively in deep poverty. A family of three in some high-cost towns needs close to the state median income simply to be able to afford basic necessities, according to a recent analysis.<sup>17</sup>

**Nearly 1 in 4 people in Massachusetts are below 200 percent of the poverty level**

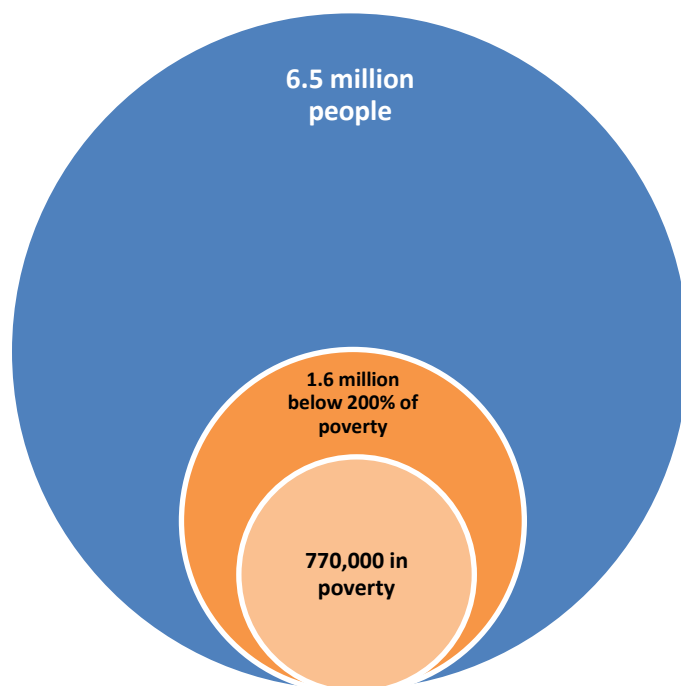
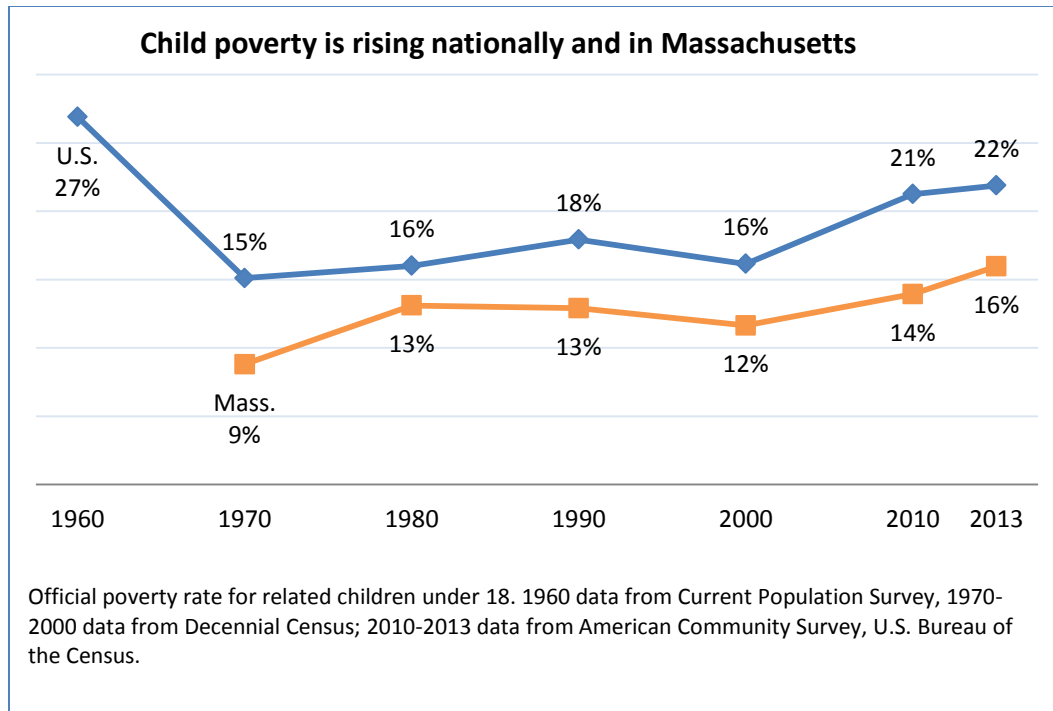


Figure 5

Today's economy has left behind people who have gone to school, gotten jobs, and done their best to pay their bills. They live in every city or town in the Commonwealth. Many of them struggle to get their lives back on track, only to encounter a hardship and fall back down.

### Increasing Poverty in Children Creates Long Term Problems

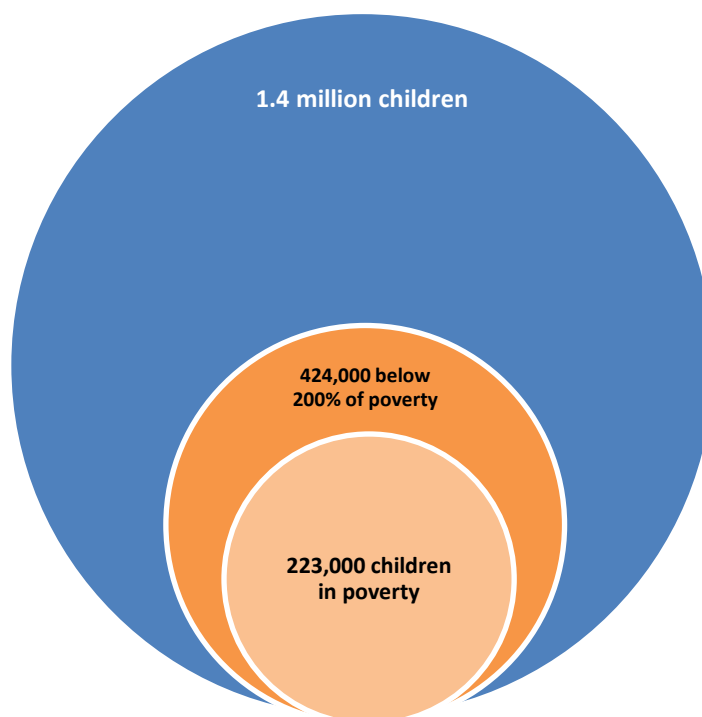
The child poverty rate in Massachusetts has risen significantly from 9 percent in 1970 to 16 percent in 2013 (see Figure 6).<sup>18</sup> That's close to one out of every six children today.



**Figure 6**

If we include the number of children who are near poor (below 200 percent of poverty), the number swells to one of every three children in Massachusetts living on the margin (see Figure 7.) Children of color are at particular risk for economic vulnerability. Close to half of Black children are near poor, as are two-thirds of Hispanic children.<sup>19</sup>

**Close to 1 in 3 children in Massachusetts live  
below 200% of poverty**



**Figure 7**

Policies that can free children from the stresses of poverty help those children to thrive and contribute to the long term economic strength of our Commonwealth. Poverty has long-term effects on children, including impacts on neurological development and potentially on their health throughout the lifespan.<sup>20</sup> Poor children and families face many obstacles to maintaining a healthy lifestyle, with limited budgets, communities with few grocery stores and limited choices for food, and few options for regular physical activity.<sup>21</sup>

Poor children are more likely to live in substandard housing, or be at risk of homelessness. In addition to the psychological stress that is associated with housing instability, poor housing can lead to increased exposures to lead and other environmental contaminants for families.

The physiological stresses created by persistent childhood poverty have other longer-term impacts as well. Schools are often not sufficiently equipped to provide the supports needed to ensure that the poorest students graduate with their classmates. Low income students may not have access to books or materials needed for study. They may have fewer resources at home to support homework or may not have a quiet place at home to do their schoolwork. Low income students may themselves be working at low wage jobs in order to help support the family and may have less time for study than their better-off peers. It is not surprising then that low income children are more at risk for not graduating from high school on time, which in turn can

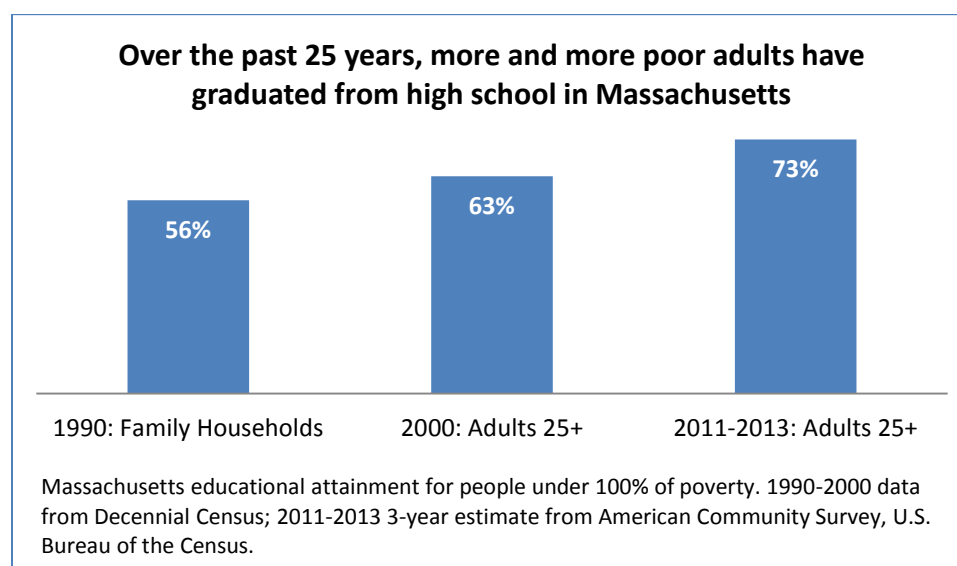
increase the risk for not delaying parenthood into adulthood, or not sustaining meaningful long-term employment.<sup>22</sup>

### The Majority of Adults in Poverty Are Working and Are High School Graduates

Many of the programs created in the Great Society were designed to combat poverty by helping children get an education, helping young adults get job training, and supporting economic advancement for low income families. But in the past several decades, with virtually no wage growth for workers with only a high school diploma, and with today's increasing inequality in the economy, getting a high school education and getting a job may not be enough to keep people out of poverty.

*"Poverty must not be a bar to learning, and learning must offer an escape from poverty."*

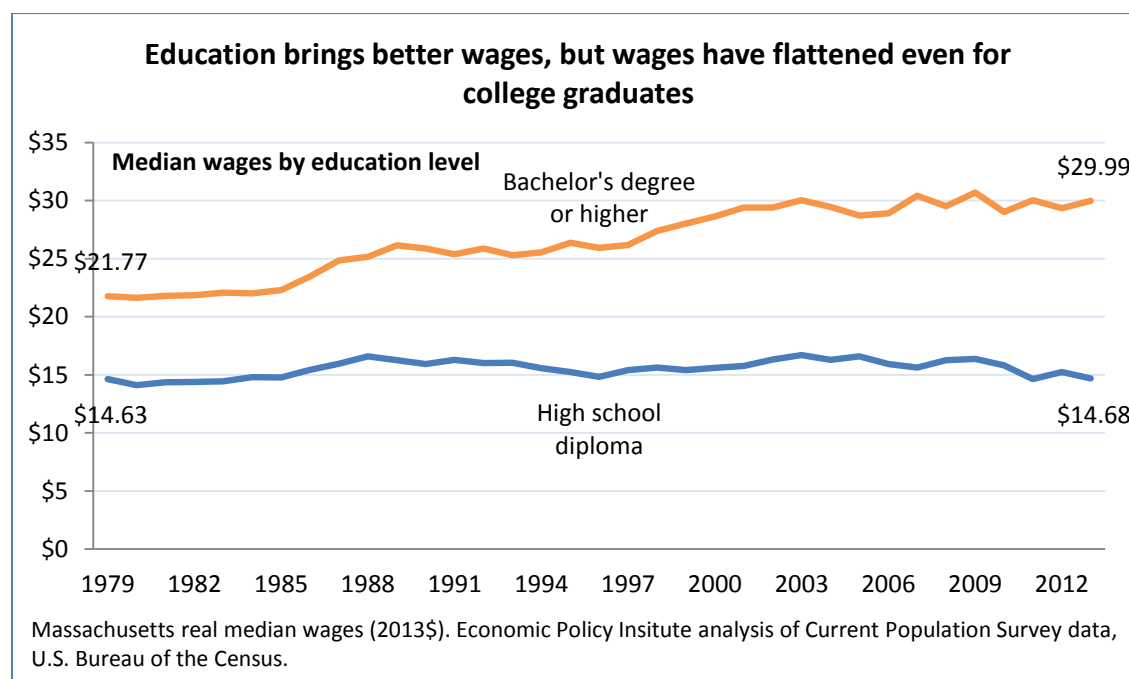
Education can be a way out of poverty and an important step on the path to opportunity. But if education alone were enough, then poverty rates would drop as education levels increased over the past several decades. Instead, poverty rates remain stubborn and the poor have become better educated over time (see Figure 8.) Today, almost three-quarters of Massachusetts poor adults (over age 25) with incomes under the poverty line have a high school diploma.<sup>23</sup> In four out of every ten families in Massachusetts living below the poverty line, the householder has some college education, or even a bachelor's degree or higher.



**Figure 8**

Over the past 25 years, the economy has left behind more and more high school graduates. Even some education after high school is no longer a solid guarantee of a middle class wage. There are, of course, decent jobs with good wages that do not require a four-year college degree. But many of these jobs require more than a high school diploma, and often require a two-year college degree or special training.<sup>24</sup>

While the increase in educational attainment overall has not reduced poverty, it is still the case that for any particular individual, the chances of getting a good job and achieving a middle class standard of living increase with more education. The median wage in Massachusetts for a person with a bachelor's degree, for example, is double the median wage for a person with less education (see Figure 9.) Even so, the median wage has essentially been flat for high school graduates since 1979, and recently the median wage has flattened even for workers with a college degree.<sup>25</sup>



**Figure 9**

Accordingly, to make opportunity available to all, there needs to be an educational system in the Commonwealth that provides children in every community with high quality education and with the supports they need to overcome the obstacles in their path.

Just as education alone is not a guarantee of a middle class wage, neither is simply having a job. The majority of poor and near poor working age adults in Massachusetts work. Many of the people of working age who are poor but not working may have particular challenges – such as a disability – that could get in the way of being able to work. For example, in 2013, of the working-age people in poverty in Massachusetts who are not working, approximately 40 percent are themselves disabled. For the people who are near poor (at 200 percent of poverty), 45 percent of working age adults are not working, but four out of ten of those not working have a disability (see Figure 10.)<sup>26</sup> Others of those not working may be caring for a disabled family member or very young child, or may be actively looking for work.

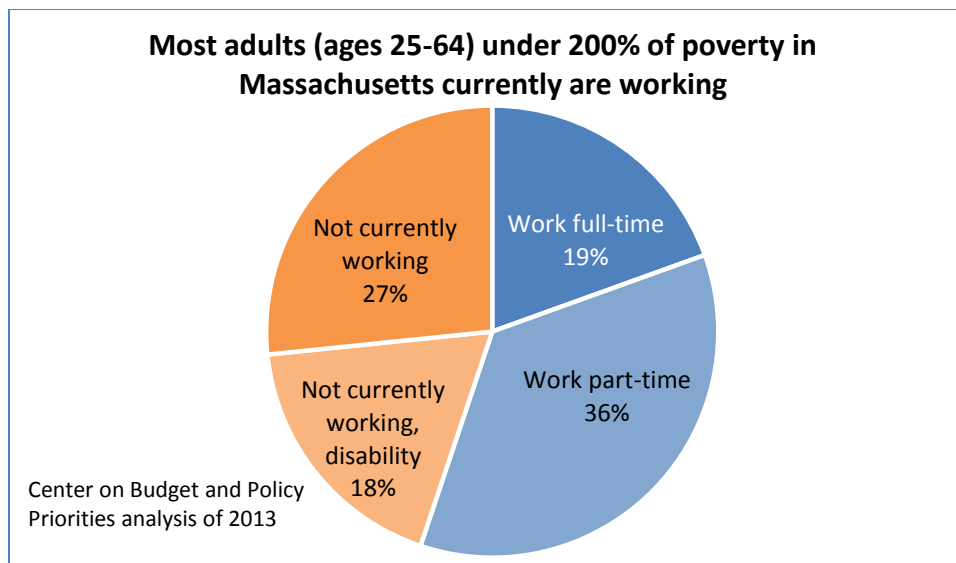


Figure 10

There have always been working poor. A Census Bureau study in 1992 reviewed data about workers with annual earnings less than the official poverty level for a family of four ("low earnings"). The study said "it would be a desirable goal to reach a point at which every full-time worker (with the possible exception of those just starting their work careers) had an earnings level sufficient to maintain a family above the poverty level." Over the course of 1979 to 1990, the share of full-time workers with earnings below this level rose from 12 percent to 18 percent.<sup>27</sup>

For too many working families, the jobs available may not pay a living wage or offer essential benefits. When the wage floor is too low, even many full-time year-round workers cannot escape poverty.

In 1968, a full-time year-round worker at the minimum wage earned the equivalent of \$21,720 a year when adjusted for inflation (see Figure 11.) This is above the poverty threshold for a family of three in 1968, which was approximately \$20,100. Even though the minimum wage did not guarantee a luxurious lifestyle, it did help more people

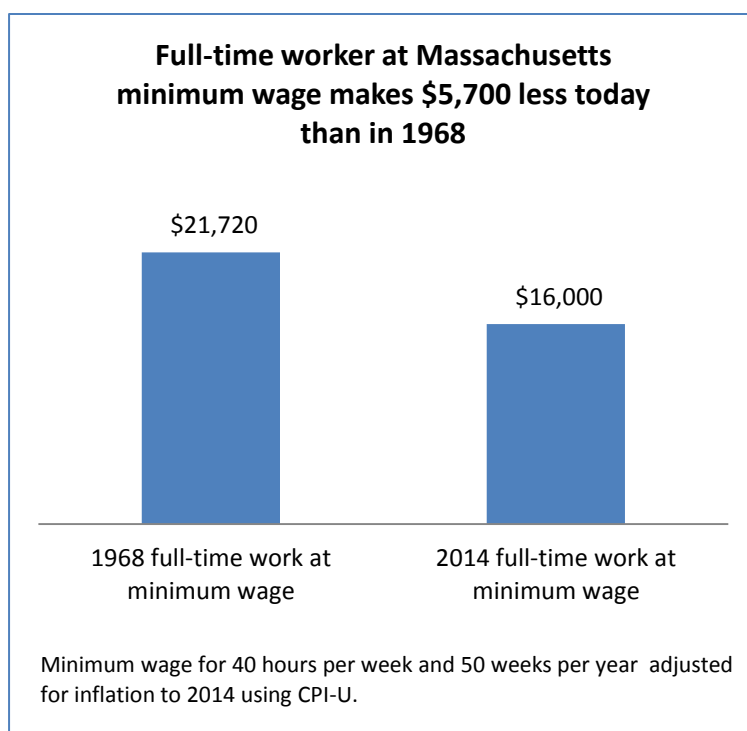


Figure 11

stay out of poverty.

Unfortunately, the minimum wage has not kept pace with inflation over the years. Today, a full-time worker at the minimum wage would earn approximately \$16,000 annually, or \$5,700 less than in 1968.

Just this year, the Commonwealth passed a law that will increase the minimum wage to \$11.00 an hour by 2017. This phased-in increase is expected to raise the wages of approximately 600,000 workers. Even with this increase, however, the minimum wage will still not fully return to its 1968 value.

### **Poverty Has Become More Widespread**

*"Make the American city a place where future generations will come not only to live, but to live the good life."*

In recent years, poverty has become more widespread. For decades, the poor in Massachusetts were concentrated in cities. There are still many low income people in certain neighborhoods in the cities, but recent data document the spread of poverty in Massachusetts outside of the larger core cities, and well into smaller cities and outlying towns.<sup>28</sup> Close to one-third of the Commonwealth's census tracts could be considered low- or moderate income.<sup>29</sup> Suburban or outlying communities are less likely to have accessible services such as child care facilities that are necessary for a family to work or convenient medical clinics that help families stay healthy.<sup>30</sup> They are likely to have less access to employment opportunities, grocery stores, and public transit, and have higher transportation costs in general.

Even though poverty has spread out of the cities and into outlying areas, there is evidence that it has not spread evenly.<sup>31</sup> In 2000, approximately 38 percent of the poor in Massachusetts lived in a high poverty area, while in 2010 that number increase to 45 percent of the poor.<sup>32</sup> More than 100,000 children in Massachusetts live in neighborhoods with high poverty concentration.<sup>33</sup>

For children of color, the challenges created by concentrated poverty are particularly acute. Half of Hispanic children and close to 40 percent of Black children live in communities with concentrated poverty.<sup>34</sup> Whether or not these children are themselves poor, they are at risk for poorer life outcomes, simply by virtue of living in these under-resourced communities.

### **Many People Experience Poverty at Some Point in Their Lives**

People who are able to move out of poverty do not always have a one-way ticket to a middle-class life. A large share of the poor fall in and out of poverty or near poverty due to temporary – but perhaps recurring – economic hardships. Roughly half of people at some point in their lives will experience a bout of poverty, and people may move in and out of poverty over time.<sup>35</sup> From 2009 to 2011, a national survey found that more than a third of people who were poor in 2009 were no longer poor in 2011. Most people were poor for just a few months.

For those who "escaped" poverty, approximately half still had very low incomes (less than 150 percent of poverty.)<sup>36</sup>

### **State and Federal Governments Have an Essential Role in Continuing the Legacy of the War on Poverty and the Great Society**

The War on Poverty in the 1960's was an initiative to combat poverty nationwide. Only the federal government has the tools to address in a comprehensive way the core economic challenge facing low income families: the failure of wages and incomes to grow with the economy. That trend is caused by national policies and conditions. Comprehensive solutions therefore require action by the national government.

National policies that could help re-build an economy that works for everyone include improvements in our labor laws, better trade and monetary policies, and direct investments by the federal government in infrastructure and human capital to stimulate the economy and create jobs now and increase productivity in the long run.

The federal government also has an important role in continuing support for the programs that are the major achievements of the War on Poverty and President Johnson's Great Society. Among these are Medicare, Medicaid, the expansion of Social Security, Food Stamps (now called SNAP), Head Start, and Pell Grants for higher education. These programs have profoundly changed the lives of every American, helping combat poverty over the decades.

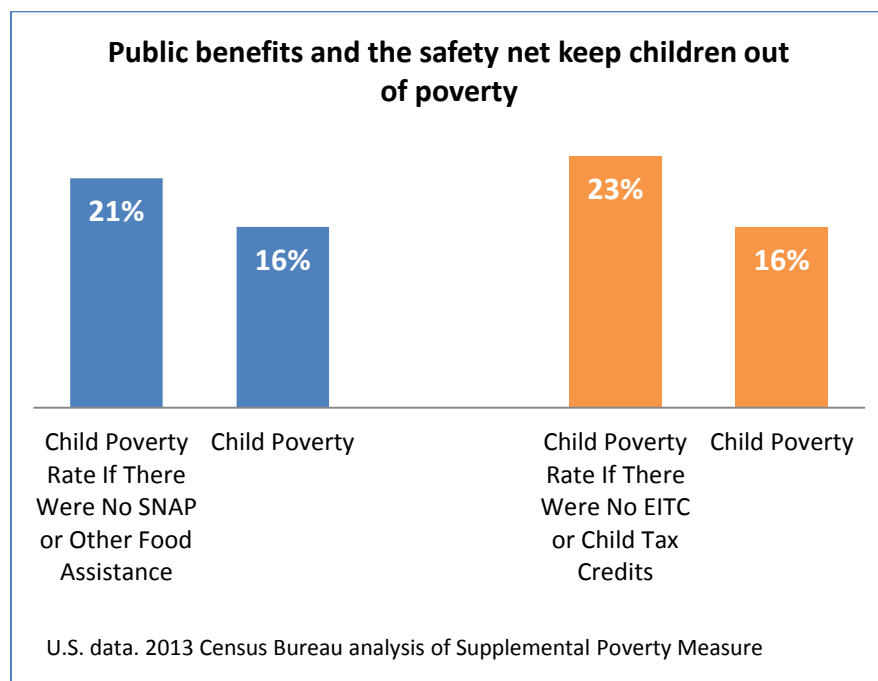
Nationally, public benefit programs keep about 40 million out of poverty. Based on the Census Bureau's Supplemental Poverty Measure,<sup>37</sup> close to 842,000 people (one out of every eight) in Massachusetts currently are kept out of poverty by public benefit programs, including 158,000 children.<sup>38</sup> In effect, poverty in Massachusetts would be almost doubled (27 percent) when based on this measure and without these public programs.

A much-heralded success of the anti-poverty programs of the Great Society is a dramatic reduction in poverty among elders. The poverty rate for people 65 and older in Massachusetts has dropped from 17 percent in 1960 to 9 percent by 2013, thanks in large part to the income supports provided by Social Security and the health insurance provided by Medicare. The Census Bureau estimates that nationally if Social Security were not available, the poverty rate for people age 65 and over (based on the Supplemental Poverty Measure) would climb from 15 percent to more than 50 percent.<sup>39</sup>

These programs have also benefitted children. For example, without refundable tax credits such as the Earned Income Tax Credit (EITC) and the Child Tax Credit,<sup>40</sup> the Census Bureau estimates that child poverty nationally (based on the Supplemental Poverty Measure) would increase from 16 percent to 23 percent. Approximately 74,000 children in Massachusetts alone are kept out of poverty each year by these tax credits.<sup>41</sup> SNAP has a similar impact. Approximately one out of every eight families (mostly working families) in the Commonwealth



participates in SNAP.<sup>42</sup> This is close to 800,000 people.<sup>43</sup> In Massachusetts, approximately 86,000 people are kept out of poverty by SNAP each year.<sup>44</sup> Without SNAP or the federally-funded school lunch program, child poverty nationally would be more than 30 percent higher (see Figure 12).<sup>45</sup>



**Figure 12**

The federally-funded Women, Infants, and Children (WIC) Program – another program that is a legacy of President Johnson's Great Society – also plays an important role in keeping low income mothers and children healthy. WIC provides subsidies for nutritious food for low income pregnant women young children, and also supports families with nutritional advice and counseling. In 2013, approximately 120,000 mothers and children in Massachusetts received support from this program.<sup>46</sup>

### **State Government Can Help Expand Opportunity and Reduce Poverty**

In addition to these national policies, there is also an important role for state government to help alleviate some of the symptoms of poverty for the children and families of Massachusetts. The state works alongside the federal government in some programs, and also provides substantial funding to play a key part in moving people from poverty to economic opportunity.<sup>47</sup>

To continue the legacy of the Great Society, the Commonwealth can continue to invest in areas where Massachusetts is already a leader, such as in publicly-subsidized health insurance and education. At the same time, there are additional areas where Massachusetts has an opportunity to do even more – such as in early childhood education and workforce development. These

investments will pay off in the long run. Finally, there are areas where state support can be crucial for the well-being of low income families and children, and there are opportunities to restore state funding so that these programs can continue to be effective in the lives of those who are vulnerable.

*"Poverty is a national problem, requiring improved national organization and support. But this attack, to be effective, must also be organized at the State and the local level and must be supported and directed by State and local efforts."*

Massachusetts has built on the legacy created by the Great Society's Medicare and Medicaid health insurance programs to provide almost universal health insurance coverage in the Commonwealth. Massachusetts leads the nation in health insurance coverage for both adults and children.<sup>48</sup> The guarantee of health insurance for even the very poorest ensures that the lack of coverage will not be an impediment to health care access for most.

High quality education has lifelong benefits for children. For the children of the poor, this education can be the essential first step on the path to economic opportunity. The state has a significant role to play in investing in high quality early childhood education. These investments have a two-fold benefit: they help give a child a solid foundation for learning and when children are in reliable care, the parents are able to work.<sup>49</sup> The state is also a leader in public elementary and secondary education,<sup>50</sup> in part because of substantial investments in the K-12 educational system. Massachusetts in particular leads the way in providing public support to school districts with large numbers of low income children, but far too many children are still left behind. Additional investments in mental health services, school-based wellness programs, and social and emotional supports would ensure that every child is given the best opportunity for success.<sup>51</sup>

*"This great rich, restless country can offer opportunity and education and hope to all."*<sup>52</sup>

Getting a college education can be a step on the path out of poverty and a decent wage. However, the increasing cost of a college education puts that resource out of reach of many. Public support for affordable higher education helps make a college degree or other post-secondary education more accessible.<sup>53</sup>

The state also has a critical role to play in supporting work. Investments to make public transportation accessible and affordable help low income workers get to work. Workforce training for young people and adults can provide people with skills they need to find good jobs, support their families, and contribute to the Massachusetts economy.<sup>54</sup>

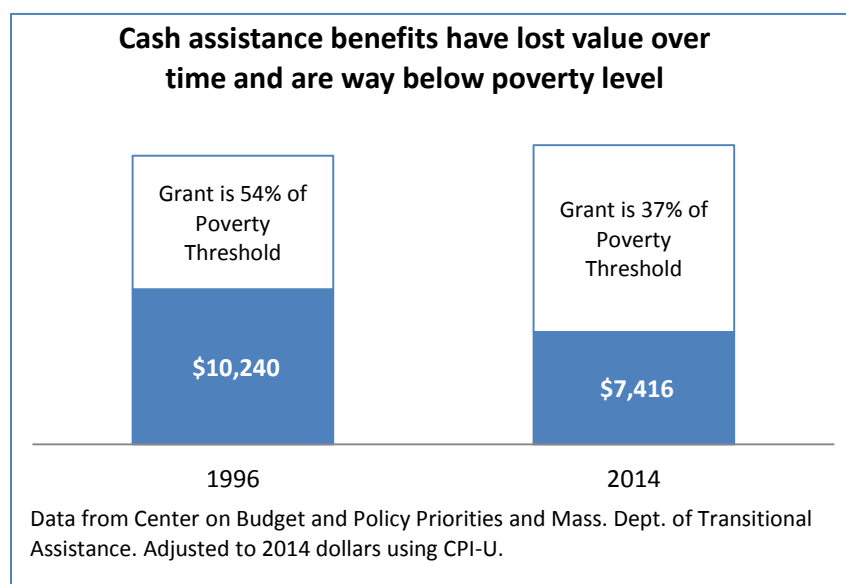
### **State Funding Helps Low Income Families Make Ends Meet**

State funds supplement some of the federal safety net programs which work directly alongside the state programs. The state Earned Income Tax Credit, for example, is directly tied to the

federal tax credit.<sup>55</sup> In 2013, approximately 400,000 people filed claims for the state EITC, receiving a tax credit of up to \$907.<sup>56</sup>

In Massachusetts, more than one in ten families struggle to put food on the table,<sup>57</sup> and the state budget provides support to enroll people in SNAP, provides an important supplement to fund the WIC Program, and provides funding for school food programs, including school breakfast, school lunch, as well as food for afterschool and summer programs. Recent research has documented the importance of these state and federally funded programs in ensuring the health and well-being of low income families.<sup>58</sup>

The state budget supplements federal funding to provide temporary direct cash assistance for very low income people with children. This program was designed as a safety net for the state's most vulnerable families. There have been declining caseloads in this transitional assistance program due to tightened eligibility standards and reduced funding. Even so, the value of the cash supports provided by the program is not sufficient to keep families out of deep poverty and has declined substantially (see Figure 13.)



**Figure 13**

In addition to the cash assistance program, the state works alongside the federal government in providing both cash and non-cash assistance to support safe and stable housing for low income families. With the high cost of housing in Massachusetts, the continual threat of foreclosure for low income homeowners, and the enormous share of income going to rent for the most

vulnerable families, the state has a very important role to play in preventing homelessness.<sup>59</sup>

More than 40 percent of the state's households have to spend more than 35 percent of their household income on rent. One out of every four households spends half of their household income on rent.<sup>60</sup> In recent years, the lack of affordable housing in the Commonwealth has contributed to increases in the costs of emergency shelter.<sup>61</sup>

## Tax Cuts Have Limited the State's Ability to Help Low Income Families and Expand Opportunity

A state commitment to significant investment in areas such as early childhood education for the youngest, for example, or worker training for adults, could go a long way towards building a path to economic opportunity for everyone. But deep budget cuts over the past decade and a half have limited the state's capacity to make these crucial investments.

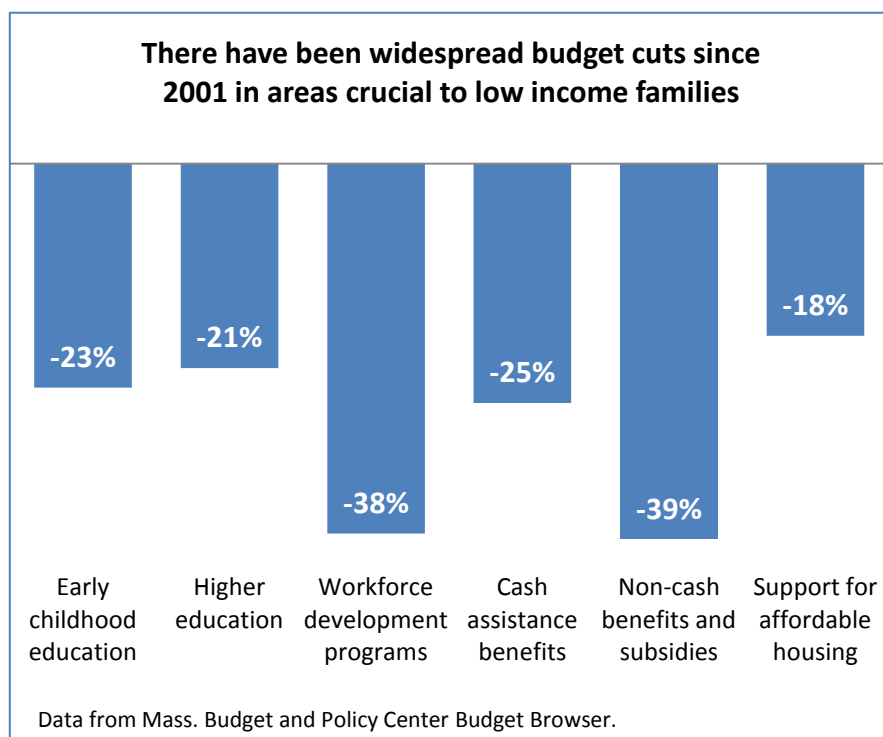


Figure 14

(see Figure 14.) Funding for higher education, including the community college programs essential for workforce training and the state college and university system essential for making higher education affordable to everyone, have been cut by 21 percent. Funding for workforce development programs, cash and non-cash supports for low income and vulnerable families, and supports for affordable housing have all been cut deeply.

## Moving From Poverty to Economic Opportunity for All

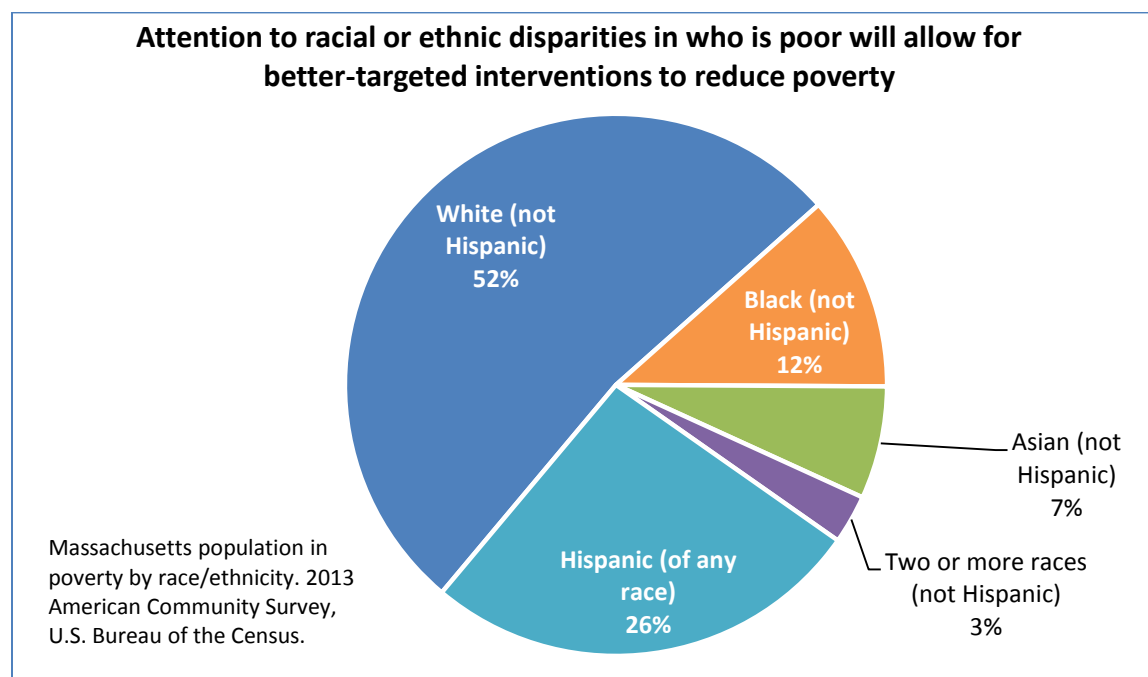
*So we want to open the gates to opportunity. But we're also going to give all our people, black and white, the help that they need to walk through those gates.<sup>63</sup>*

The Great Society envisioned fifty years ago imagined an America in which economic opportunity and prosperity would be accessible to all. In all of these programs, it is important to consider the diversity among the poor, both in terms of race or ethnicity, background, geography, and other characteristics, as these may shape strategies for reducing poverty (see

The state implemented over \$3 billion in income tax cuts over the past two decades, severely limiting the resources available in the state budget to fund a wide variety of programs.<sup>62</sup>

Since 2001, funding for early childhood education for example, has been cut 23 percent, even though these programs are both essential for allowing parents to work and for giving each young child the best start in learning

Figure 15.) With estimates that by 2040, four out of every ten people in the Commonwealth will be people of color, it is imperative that we develop strategies to make sure that we are not leaving particular groups behind in the state's anti-poverty efforts.<sup>64</sup>



**Figure 15**

*"[W]e have the opportunity to move not only toward the rich society and the powerful society, but upward to the Great Society."*

President Johnson was acutely aware of the challenges facing the poor in the 1960's. In his vision, investments in Food Stamps, Head Start, Medicare, Medicaid, education and more would help provide the necessary boost for the poor to move up and out of the depths of poverty.

These federal and state programs have empowered people and been essential in keeping hundreds and thousands of children and adults in Massachusetts out of poverty. By supporting vulnerable families, and providing direct supports in times of difficulty or preventive supports to hold off a crisis, we continue the promise and legacy of the Great Society. These programs have educated our children, fed our families, put roofs over the heads of our neighbors, cared for our sick. These programs have kept poverty at bay, but they have not eliminated it.

The best way to raise incomes for low income families is to expand access to good paying jobs. That's why creating a national economy where more jobs pay good wages would be such an important part of an effective anti-poverty strategy. In recent decades, however, the role of moving people out of poverty has been left to federal, state, and community programs implementing the legacy of the Great Society. As effective as many of those programs are –

expanding opportunity, protecting families from the worst ravages of poverty, and improving the quality of life in our communities – they should not be expected to address all of the harm caused by an economy in which low and middle income families are receiving a smaller and smaller share of the new wealth and income created when our economy grows.

## APPENDICES

### APPENDIX A: DEFINING POVERTY

#### The Creation of the National Poverty Level

Although it is possible to find flaws in the current measure of poverty, the nationally-established poverty level has been a guide for tracking poverty at the national and state levels over the years.

The original definition of poverty came from the Social Security Administration in 1964. The value of the "nutritionally adequate food plan" designed by the U. S. Department of Agriculture as a temporary or emergency measure in times of financial difficulty was multiplied by three. The assumption was that families for the most part spent a third of their income on food. These thresholds are adjusted to account for family size, are updated annually to adjust for inflation, and are computed on a national basis – meaning they do not take into account regional variations in the cost of living.

Even at the time it was first created, the poverty threshold was identified as a level of "inadequacy", not a measure of a minimum standard of living. Molly Orshansky, the economist credited with developing the first poverty thresholds for the Social Security Administration is quoted as saying, "if it is not possible to state unequivocally 'how much is enough,' it should be possible to assert with confidence how much, on an average, is too little."<sup>1</sup>

Over the decades, the definition of who is poor or low income has shifted. The Census Bureau noted in 1970 that by re-defining the poverty threshold and setting it at 75 percent of its current level, the "number of poor persons would drop by 40 percent" and the poverty rate in 1969 would drop from 12 percent to 7 percent.<sup>2</sup> Clearly, any estimate of the number of poor people is a direct result of the definition of "poverty."

The Census Bureau recognizes that the official poverty measure as created in the 1960's had technical limitations right from the start.<sup>3</sup>

To begin to address some of these limitations, the Census Bureau has created the Supplemental Poverty Measure (SPM). This new alternative measure calculates income encompassing a greater number of income sources, including non-cash benefits such as the value of food assistance programs. The SPM estimates a family's budget by looking at a wide array of necessities, and assumes that families need to

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<sup>1</sup> From Gordon M. Fisher, "The Development and History of the U.S. Poverty Thresholds – A Brief Overview", Winter 1997, available at <http://aspe.hhs.gov/poverty/papers/hptgssiv.htm>

<sup>2</sup> U.S. Bureau of the Census, "24 Million Americans—Poverty in the United States: 1969", Current Population Reports, December 1970, available at <http://www2.census.gov/prod2/popscan/p60-076.pdf>.

<sup>3</sup> See Kathleen Short, "The Research Supplemental Poverty Measure: 2012", Current Population Reports, U.S. Bureau of the Census, November 2013  
<http://www.census.gov/content/dam/Census/library/publications/2014/demo/p60-251.pdf>.

spend money on work expenses and on child care. The SPM also accommodates different family structures and housing circumstances, and is adjusted for geographic differences in cost of living.

The charts included here reflect the "anchored supplemental poverty measure", a further refinement of the Supplemental Poverty Measure created by researchers to allow for a more accurate measure of the impact of changes in income and transfers on poverty.<sup>4</sup> The alternative measure presents a direr picture about the economic well-being of the United States historically than does the official measure.

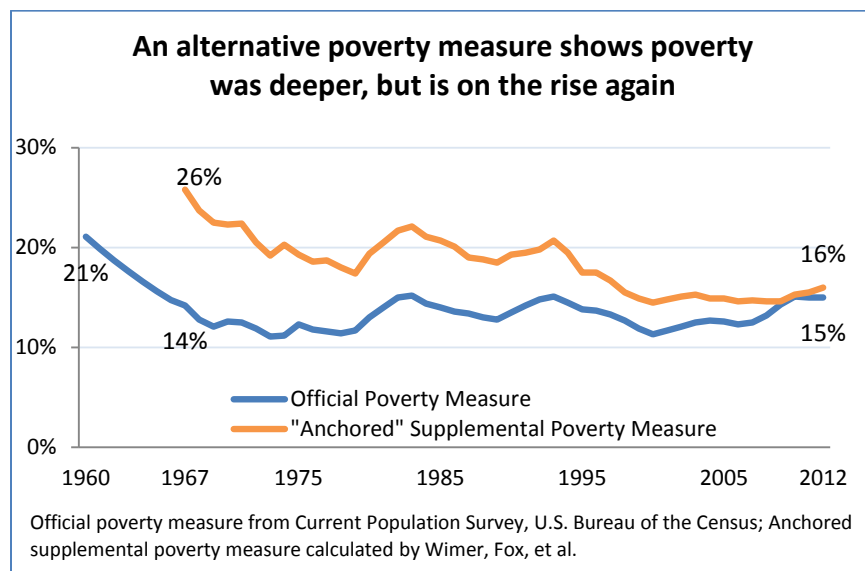


Figure A

The Supplemental Poverty Measure for Massachusetts for 2013 estimates a poverty rate of approximately 14 percent, or 906,000 people (compared to the Massachusetts official poverty rate of 12 percent.) The high cost of living in Massachusetts factors heavily in this alternative measure.

There is a similar alternative poverty rate for children, and it shows a slightly different picture. Nationally, the alternative poverty measure for children shows that poverty has been fairly volatile over the past four decades. But like with poverty overall, the alternative poverty measure for children suggests that poverty has been much deeper than previously estimated. In fact, this measure suggests that in 1967, close to 30 percent of children in the U.S. were poor – a significant increase over the official estimate of 17 percent. The alternative child poverty measure also suggests that during the "double dip recession" of the 1980's, children lost all the gains they had made in the previous decade, and it wasn't until the early 1990's that child poverty finally started to decline once again, until the most recent recession. And while the official child poverty rate crept up during the recession, the alternative child poverty measure stayed down below the official rate. In 2012, the official poverty rate for children was 22 percent, whereas the alternative rate was 19 percent.

<sup>4</sup> See Christopher Wimer, Liana Fox, Irv Garfinkel, Neeraj Kaushal, Jane Waldfogel, "Trends in Poverty with an Anchored Supplemental Poverty Measure", December 5, 2013 available at <https://courseworks.columbia.edu/access/content/group/c5a1ef92-c03c-4d88-0018-ea43dd3cc5db/Articles/Anchored%20SPM%20December7.pdf> (accessed 10/8/2014)



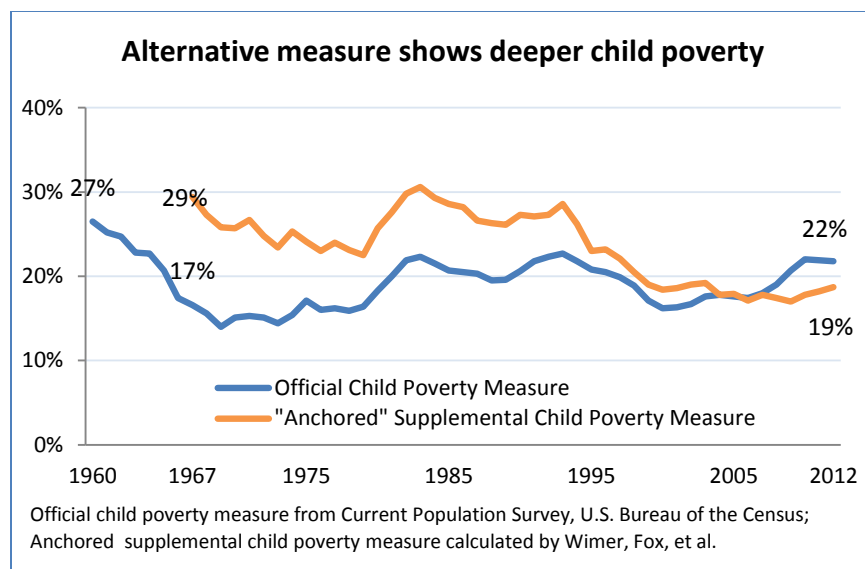


Figure B

## MEASURING POVERTY

The Official Poverty Measure defines poverty this way:

- Measures families and unrelated individuals
- Poverty threshold is three times the cost of a minimum food diet in 1963
- Threshold varies by family size, family composition, age of householder
- Updates annually based on the Consumer Price Index
- Income is based on gross before-tax cash income

The Supplemental Poverty Measure defines poverty this way:

- Measures all related people who live at the same address, and also unrelated children who are cared for by the family (such as foster children), and includes other cohabiters and their relatives
- Poverty threshold is the average of the 30<sup>th</sup> to 36<sup>th</sup> percentile of spending on food, clothing, shelter, and utilities of "consumer units" with exactly two children multiplied by 1.2
- Threshold varies by geography in order to include differences in housing costs
- Updates based on a five-year moving average of spending on food, shelter, clothing and utilities
- Income is based on cash income plus non-cash benefits that families can use to meet their needs of food, clothing, shelter and utilities; minus taxes (or plus tax credits), minus work expenses, minus out-of-pocket medical expenses, minus child support paid to another household

## POVERTY THRESHOLDS

	1960	1970	1980	1990	2000	2010	2013
Family of 3: 1 adult and 2 children (nominal)	\$2,451	\$3,217	\$6,635	\$10,530	\$13,874	\$17,568	\$18,769
Family of 3 (adjusted for inflation to 2013)	\$19,095	\$19,295	\$18,762	\$18,775	\$18,770	\$18,767	\$18,769

## APPENDIX B: MEASURING INEQUALITY

Growing inequality can be measured by an economic statistic called the Gini Coefficient. The Gini Coefficient measures how far away the distribution is from a perfectly equal income distribution. The value of the Gini Coefficient can range from 0 to 1. If one person in Massachusetts were to have all the income (in other words if there were a completely unequal income distribution), the Gini Coefficient for Massachusetts would be 1. If everyone in Massachusetts were to have an exactly equal amount of income, the Gini Coefficient would be 0.

Massachusetts used to be a place of greater income equality than the nation as a whole. The Massachusetts Gini Coefficient in 1970 (the first Census calculation of this statistic) was 0.33, compared to the national statistic of 0.36. For context, the current Gini Coefficients for Ethiopia and for India are at approximately that level.<sup>5</sup> Income inequality grew, and by 2000 Massachusetts caught up to the nation. In 2013, the national and state Gini Coefficients were both at a very high 0.48. According to data from the World Bank, this puts inequality in Massachusetts in line with current inequality levels in Mexico, Bolivia, and the Dominican Republic.

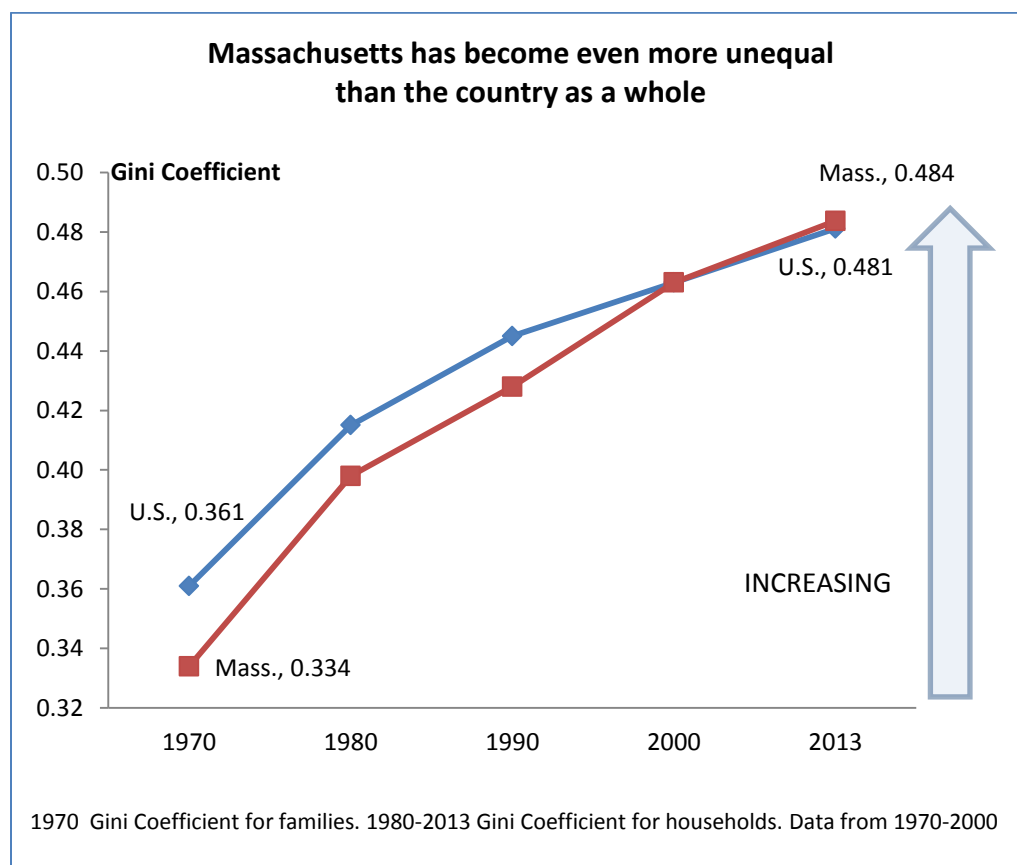


Figure C

<sup>5</sup> For current national Gini Coefficient data, see World Bank, "GINI Index" available at <http://data.worldbank.org/indicator/SI.POV.GINI>

## APPENDIX C: DETAILED DATA TABLES

### POVERTY RATES BY COUNTY: Percent Below Poverty

Data from 1960, 1970, 1980, 1990, 2000 Decennial Census

2012 Estimates from U.S. Bureau of the Census 2012 Small Area Income and Poverty Estimates.

	1960 Census	1970 Census	1980 Census	1990 Census	2000 Census	2012 Estimates
Massachusetts	12%	9%	10%	9%	9%	12%
Barnstable	18%	11%	9%	8%	7%	10%
Berkshire	14%	9%	10%	9%	10%	14%
Bristol	17%	11%	10%	9%	10%	13%
Dukes	24%	9%	10%	7%	7%	9%
Essex	12%	8%	9%	9%	9%	12%
Franklin	15%	8%	11%	10%	9%	12%
Hampden	12%	9%	12%	13%	15%	19%
Hampshire	12%	10%	11%	11%	9%	13%
Middlesex	9%	7%	7%	6%	7%	8%
Nantucket	16%	13%	6%	6%	8%	8%
Norfolk	7%	5%	5%	5%	5%	8%
Plymouth	12%	7%	8%	7%	7%	8%
Suffolk	17%	15%	19%	18%	19%	21%
Worcester	13%	8%	9%	8%	9%	12%

## POVERTY RATES FOR RELATED CHILDREN UNDER 18 BY COUNTY: Percent Below Poverty

Data from 1980, 1990, 2000 Decennial Census

2011-2013 from 3-Year American Community Survey Estimates; data for Dukes and Nantucket Counties are from 2008-2012 5-Year American Community Survey Estimates

	1980 Census	1990 Census	2000 Census	2011-2013 Estimate*	2011-2013 Estimate Range*
Massachusetts	13%	13%	12%	15%	14.9%-15.7%
Barnstable	13%	11%	9%	16%	12.4%-18.6%
Berkshire	12%	12%	12%	20%	16.9%-22.9%
Bristol	14%	13%	13%	17%	15.8%-18.6%
Dukes	11%	6%	10%	12%	5.5%-19.3%
Essex	13%	15%	12%	17%	15.5%-18.1%
Franklin	13%	14%	10%	15%	11.2%-17.8%
Hampden	19%	22%	23%	28%	26.2%-30.2%
Hampshire	10%	11%	8%	12%	8.5%-14.7%
Middlesex	9%	8%	7%	10%	8.8%-10.4%
Nantucket	5%	7%	2%	5%	0.6%-10%
Norfolk	7%	5%	4%	7%	6.2%-8.2%
Plymouth	10%	9%	8%	10%	8.8%-11%
Suffolk	30%	28%	25%	28%	26.6%-30.2%
Worcester	13%	12%	11%	16%	15.0%-17.6%

\*The most recent data are midpoint estimates from the American Community Survey, and in some instances the small sample sizes associated with this survey lead to a relatively large ranges for the estimate. Use caution in interpreting these numbers.

## HOUSEHOLD AND FAMILY INCOMES BY COUNTY: Median Household Income and Median Family Income

2011-2013 from 3-Year American Community Survey Estimates; data for Dukes and Nantucket Counties from 2008-2012 5-Year American Community Survey Estimates

	Median Household Income	Median Family Income
Massachusetts	\$66,135	\$83,867
Barnstable	\$60,306	\$75,626
Berkshire	\$48,180	\$64,922
Bristol	\$54,682	\$70,710
Dukes	\$65,896	\$79,195
Essex	\$67,481	\$83,718
Franklin	\$53,381	\$68,098
Hampden	\$49,041	\$60,586
Hampshire	\$60,666	\$80,774
Middlesex	\$81,799	\$103,581
Nantucket	\$83,546	\$89,351
Norfolk	\$83,629	\$107,189
Plymouth	\$73,601	\$89,467
Suffolk	\$52,531	\$59,562
Worcester	\$63,363	\$80,005

## SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (SNAP) PARTICIPATION BY COUNTY

### Households Receiving Food Stamps/SNAP

2011-2013 from 3-Year American Community Survey Estimates; data for Dukes and Nantucket Counties from 2008-2012 5-Year American Community Survey Estimates

	Households Receiving SNAP	% Households with Related Children Under 18	% Households Below Poverty
Massachusetts	318,642	46%	48%
Barnstable	7,864	40%	46%
Berkshire	8,091	41%	44%
Bristol	34,521	44%	49%
Dukes	196	24%	43%
Essex	39,902	48%	48%
Franklin	4,348	38%	47%
Hampden	39,983	51%	51%
Hampshire	5,352	36%	48%
Middlesex	45,755	41%	44%
Nantucket	84	36%	45%
Norfolk	18,353	42%	39%
Plymouth	18,272	47%	41%
Suffolk	57,048	45%	54%
Worcester	38,854	47%	48%

## 2012 FEDERAL EARNED INCOME TAX CREDIT CLAIMS BY COUNTY

Data from Brookings Institute analysis of tax returns.

	Tax filers claiming EITC	Percent of tax filers claiming EITC	Total EITC Claimed	Average Claim
Massachusetts	390,941	13%	\$779,467,929	\$1,994
Barnstable	12,196	11%	\$21,351,662	\$1,751
Berkshire	9,304	15%	\$17,742,300	\$1,907
Bristol	36,723	15%	\$75,029,569	\$2,043
Dukes	1,134	13%	\$1,715,842	\$1,513
Essex	51,257	15%	\$110,069,258	\$2,147
Franklin	4,817	15%	\$8,543,600	\$1,774
Hampden	40,961	20%	\$92,547,425	\$2,259
Hampshire	7,069	10%	\$11,581,510	\$1,638
Middlesex	64,263	9%	\$115,645,711	\$1,800
Nantucket	634	11%	\$1,075,336	\$1,696
Norfolk	26,209	8%	\$45,640,921	\$1,741
Plymouth	27,151	12%	\$53,840,775	\$1,983
Suffolk	60,405	18%	\$125,201,083	\$2,073
Worcester	48,818	14%	\$99,482,937	\$2,038

## RENT BURDENED HOUSEHOLDS BY COUNTY

Gross Rent as a Percentage of Household Income in the Past Twelve Months (Renter-Occupied Housing Units)

2011-2013 from 3-Year American Community Survey Estimates; data for Dukes and Nantucket Counties from 2008-2012 5-Year American Community Survey Estimates

	Percent of renters paying 35% or more of household income on rent	Percent of renters paying 50% or more of household income on rent
Massachusetts	41%	26%
Barnstable	50%	31%
Berkshire	41%	26%
Bristol	41%	25%
Dukes	47%	35%
Essex	43%	27%
Franklin	37%	23%
Hampden	45%	30%
Hampshire	43%	29%
Middlesex	37%	22%
Nantucket	31%	19%
Norfolk	40%	25%
Plymouth	46%	31%
Suffolk	42%	28%
Worcester	39%	25%



## ENDNOTES

<sup>1</sup>This and all further quotes are from President Johnson's speech at the University of Michigan on May 22, 1964 unless otherwise noted. Available at <http://www.pbs.org/wgbh/americanexperience/features/primary-resources/lbj-michigan/> (accessed 10/20/2014).

<sup>2</sup>From President Johnson's State of the Union address, January 8, 1964, available at <http://www.pbs.org/wgbh/americanexperience/features/primary-resources/lbj-union64/> (accessed October 20, 2014).

<sup>3</sup>Estelle Sommeiller and Mark Price, "The Increasingly Unequal States of America: Income Inequality by State, 1917 to 2011", Economic Policy Institute, available at <http://community-wealth.org/content/increasingly-unequal-states-america> (accessed 10/23/2014). See also Mass. Budget and Policy Center, "State of Working Massachusetts," available at <http://www.massbudget.org/reports/swma/>.

<sup>4</sup>Economic Policy Institute analysis of data from Bureau of Labor Statistics and Bureau of Economic Analysis.

<sup>5</sup>See Lawrence Mishel, "The Wedges Between Productivity and Median Compensation Growth," Economic Policy Institute, April 2012, available at <http://www.epi.org/publication/ib330-productivity-vs-compensation/> (accessed 10/31/2014).

<sup>6</sup>Economic Policy Institute analysis of U.S. Bureau of the Census Current Population Survey data.

<sup>7</sup>Economic Policy Institute analysis of U.S. Bureau of the Census Current Population Survey and Piketty top income data set.

<sup>8</sup>Barry Bluestone, Anna Gartsman, Don Walsh, Russ Eckel, James Huessy, "Staying Power II: A Report Card on Manufacturing in Massachusetts 2012," Dukakis Center for Urban and Regional Policy, Northeastern University, September 2012, available at <http://www.northeastern.edu/dukakiscenter/wp-content/uploads/2013/10/Staying-Power-II.pdf> (accessed 10/27/2014).

<sup>9</sup>See Mass. Budget and Policy Center, "State of Working Massachusetts," available at <http://massbudget.org/reports/swma/jobs.php>.

<sup>10</sup>"Low Wage Recovery and Growing Inequality," National Employment Law Project, August 2012, available at [http://www.nelp.org/page/-/Job\\_Creation/LowWageRecovery2012.pdf?nocdn=1](http://www.nelp.org/page/-/Job_Creation/LowWageRecovery2012.pdf?nocdn=1).

<sup>11</sup>Helen Blank, Karen Schulman, and Lauren Frohlich, "Nearly One in Five Working Mothers of Very Young Children Work in Low-Wage Jobs," National Women's Law Center, April 2014, available at <http://www.nwlc.org/resource/nearly-one-five-working-mothers-very-young-children-work-low-wage-jobs> (accessed 10/26/2014).

<sup>12</sup>Unless otherwise noted, all population statistics in this report are from the Decennial Censuses or the American Community Survey from the U.S. Bureau of the Census. Data from 2001-2013 are from the American Community Survey, and can be retrieved through American FactFinder at <http://factfinder2.census.gov>. Data from the Decennial Censuses of 1960, 1970, 1980, and 1990 can be found at <https://www.census.gov/prod/www/decennial.html>. Data for the 2000 Decennial Census can also be found at American FactFinder. See the Appendices for data at the sub-state level.

<sup>13</sup>Data from U.S. Bureau of the Census.

<sup>14</sup>Unless otherwise noted, references to "poor" or "poverty" are in reference to the official poverty measure as used by the U.S. Bureau of the Census. Although there are serious limitations to this measure as discussed in the appendix, it provides the best means of comparing data across the decades. See the appendix for details on the official poverty thresholds throughout the years. For a discussion of the changing definitions and usages of the terms "poor", "poverty" and "low income" by the Census Bureau, see Gordon M. Fisher, "The Development of the Orshansky Poverty Thresholds and Their Subsequent History as the Official U.S. Poverty Measure", U. S. Census Bureau, <http://www.census.gov/hhes/povmeas/publications/orshansky.html#C5> (accessed 10/5/2014).

<sup>15</sup>Poverty threshold data from U.S. Bureau of the Census, available at <https://www.census.gov/hhes/www/poverty/data/threshld/index.html>.

<sup>16</sup>Data from U.S. Bureau of the Census. See appendix for detailed tables.

<sup>17</sup>See the Crittenton Women's Union Economic Independence Calculator, available at <http://www.liveworkthrive.org/site/calculator> (accessed 10/21/2014).

<sup>18</sup>Data for child poverty for Massachusetts are not available for 1960. Data from U.S. Bureau of the Census.

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- <sup>19</sup> Annie E. Casey Foundation KIDS COUNT Data Center, available at <http://datacenter.kidscount.org/data/tables/8055-children-who-live-in-low-poverty-areas-poverty20-percent-by-race-and-ethnicity?loc=23&loct=2#detailed/2/23/false/1074/4215,3301,4216,4218,4217,2664/15478,15477>.
- <sup>20</sup> See, for example, recent research on the impacts of toxic stress on children, at the Center on the Developing Child at Harvard University, available here [http://developingchild.harvard.edu/key\\_concepts/toxic\\_stress\\_response/](http://developingchild.harvard.edu/key_concepts/toxic_stress_response/).
- <sup>21</sup> Hedwig Lee, "Why Poverty Leads to Obesity and Life-Long Problems," available at <http://www.scholarsstrategynetwork.org/content/why-poverty-leads-obesity-and-life-long-problems> (accessed 10/23/2014).
- <sup>22</sup> See Caroline Ratcliffe and Signe-Mary McKernan, "Child Poverty and Its Lasting Consequence: Summary", Urban Institute, Low-Income Working Families Fact Sheet, September 2012 <http://www.urban.org/UploadedPDF/412658-Child-Poverty-and-Its-Lasting-Consequence-Summary.pdf> (accessed 10/6/2014).
- <sup>23</sup> Data from U.S. Bureau of the Census.
- <sup>24</sup> See, for instance, the "Hot Job" list published by the Crittenton Women's Union, available at [http://www.liveworkthrive.org/research\\_and\\_tools/hot\\_jobs](http://www.liveworkthrive.org/research_and_tools/hot_jobs).
- <sup>25</sup> Analysis based on data from the Economic Policy Institute, State of Working 2013.
- <sup>26</sup> Center on Budget and Policy Priorities unpublished analysis of 2013 American Community Survey data.
- <sup>27</sup> U.S. Bureau of the Census, "Workers with Low Earnings: 1964 to 1990", Current Population Reports, series P-20, No. 178, March 1992, <https://www.census.gov/library/publications/1992/demo/p60-178.html> (accessed 10/20/2014).
- <sup>28</sup> Kseniya Benderskaya, Kaili Mauricio, Rebecca Leung, and Anthony Poore, "New England Community Outlook Survey," Federal Reserve Bank of Boston, August 2014, <http://www.bostonfed.org/commdev/community-outlook-survey/index.htm#conclusion> (accessed 10/9/2014).
- <sup>29</sup> Low- or Moderate-Income census tracts are those that have a median family income 80 percent below the Metropolitan Statistical Area's median family income. Data and analysis from the New England Federal Reserve Bank's New England City Data, available at <http://www.bostonfed.org/commdev/data-resources/city-data/index.htm> (accessed 11/3/2014).
- <sup>30</sup> See Health Resources and Services Administration Data Warehouse, available at <http://hpsafind.hrsa.gov/HPSASearch.aspx>.
- <sup>31</sup> Elizabeth Kneebone, "The Growth and Spread of Concentrated Poverty, 2000 to 2008-2012," The Brookings Institution, July 2014, available at <http://www.brookings.edu/research/interactives/2014/concentrated-poverty#/M10420> (accessed 10/25/2014).
- <sup>32</sup> Alemayehu Bishaw, "Changes in Areas With Concentrated Poverty: 2000 to 2010" American Community Survey Reports, U.S. Bureau of the Census, June 14, available at <http://www.census.gov/content/dam/Census/library/publications/2014/acs/acs-27.pdf> (accessed 10/25/2014).
- <sup>33</sup> Annie E. Casey Foundation KIDS COUNT Data Center, <http://datacenter.kidscount.org/data/tables/6795-children-living-in-areas-of-concentrated-poverty#detailed/2/2-52/false/1201,1074,880,11/any/13891,13892>.
- <sup>34</sup> Annie E. Casey KIDS COUNT Data Center, available at <http://datacenter.kidscount.org/data/tables/8055-children-who-live-in-low-poverty-areas-poverty20-percent-by-race-and-ethnicity?loc=1&loct=2#detailed/2/23/false/1074/4215,3301,4216,4218,4217,2664/15478,15477>.
- <sup>35</sup> Signe-Mary McKernan, Caroline Ratcliffe, and Stephanie R. Cellini, "Transitioning In and Out of Poverty," the Urban Institute, September 2009, available at [http://www.urban.org/uploadedpdf/411956\\_transitioningpoverty.pdf](http://www.urban.org/uploadedpdf/411956_transitioningpoverty.pdf) (accessed 10/24/2014).
- <sup>36</sup> Ashley N. Edwards, "Dynamics of Economic Well-Being: Poverty, 2009-2011," Household Economic Studies, U.S. Bureau of the Census, January 2014, available at <https://www.census.gov/library/publications/2014/demo/p70-137.html> (accessed 10/14/2014).
- <sup>37</sup> See appendix for discussion of poverty measures.
- <sup>38</sup> Arloc Sherman, Danilo Trisi, and Sharon Parrott, "Various Supports for Low-Income Families Reduce Poverty and Have Long-Term Positive Effects On Families and Children", Center on Budget and Policy Priorities, July 2013, available at <http://www.cbpp.org/cms/?fa=view&id=3997> (accessed 10/14/2014).

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<sup>39</sup> Kathleen Short, "The Supplemental Poverty Measure: 2013", U.S. Bureau of the Census, Current Population Reports, October 2014, available at <https://www.census.gov/library/publications/2014/demo/p60-251.html> (accessed 10/21/2014).

<sup>40</sup> Although not created during the 1960's as part of the measures of the Great Society, the EITC was created in the early 1970's and has become an important anti-poverty program. The Child Tax Credit was enacted in the 1990's. See Thomas L. Hungerford and Rebecca Thiess, "The Earned Income Tax Credit and the Child Tax Credit: History, Purpose, Goals, and Effectiveness," Economic Policy Institute, September 2013, available at <http://www.epi.org/publication/ib370-earned-income-tax-credit-and-the-child-tax-credit-history-purpose-goals-and-effectiveness/> (accessed 11/3/2014).

<sup>41</sup> Brookings Institution analysis of Supplemental Poverty Measure Public Use data, "State Estimates of People and Children Lifted out of Poverty by EITC and CTC per Year 2010-2012", available at [www.brookings.edu/~media/Research/Files/Blogs/2014/02/11%20eitc/EITC CTC%20State%20Table.pdf](http://www.brookings.edu/~media/Research/Files/Blogs/2014/02/11%20eitc/EITC%20CTC%20State%20Table.pdf) (accessed 11/4/2014).

<sup>42</sup> Data from U.S. Bureau of the Census.

<sup>43</sup> See appendix for detailed SNAP participation data.

<sup>44</sup> Brookings Institution analysis of Supplemental Poverty Measure Public Use data, "State Estimates of People and Children Lifted out of Poverty by SNAP Per Year, 2010-2012" available at [www.brookings.edu/~media/Research/Files/Blogs/2014/01/food%20stamps/SNAP%20State%20Table%2020092012.pdf](http://www.brookings.edu/~media/Research/Files/Blogs/2014/01/food%20stamps/SNAP%20State%20Table%2020092012.pdf) (accessed 11/4/2014).

<sup>45</sup> Kathleen Short, "The Supplemental Poverty Measure: 2013", U.S. Bureau of the Census, Current Population Reports, October 2014, available at <https://www.census.gov/library/publications/2014/demo/p60-251.html> (accessed 10/21/2014).

<sup>46</sup> For program data, see U.S. Department of Agriculture, Food and Nutrition Services, available at <http://www.fns.usda.gov/pd/wic-program>.

<sup>47</sup> For state budget data referenced in this section, unless otherwise noted, see the Mass. Budget and Policy Center Budget Browser, available at <http://browser.massbudget.org>.

<sup>48</sup> "Almost Universal Coverage in Massachusetts: Leading the Nation in Health Insurance," Mass. Budget and Policy Center, September 2014, available at [http://massbudget.org/report\\_window.php?loc=ACS2014.html](http://massbudget.org/report_window.php?loc=ACS2014.html) (accessed 10/25/2014).

<sup>49</sup> See, for example, Arthur MacEwan, "Economic Gains from Early Education & Care", January 2013, available at [http://www.massbudget.org/report\\_window.php?loc=gains\\_early\\_ed.html](http://www.massbudget.org/report_window.php?loc=gains_early_ed.html) (accessed 10/24/2014).

<sup>50</sup> See Annie E. Casey KIDS COUNT Data Center, available at <http://datacenter.kidscount.org/data/tables/7247-education-rank?loc=23&loct=2#detailed/2/23/false/869,36,868/any/14341>.

<sup>51</sup> See Colin A. Jones, "Uplifting the Whole Child: Using Wraparound Services to Overcome Social Barriers to Learning," Mass. Budget and Policy Center, August 2014, available at [http://www.massbudget.org/report\\_window.php?loc=Uplifting\\_the\\_Whole\\_Child.htm](http://www.massbudget.org/report_window.php?loc=Uplifting_the_Whole_Child.htm) (accessed 10/25/2014).

<sup>52</sup> President Lyndon B. Johnson, Address to Congress, March 15, 1965, available at <http://www.pbs.org/wgbh/americanexperience/features/primary-resources/lbj-overcome/> (accessed 10/25/2014).

<sup>53</sup> For a more thorough discussion of the relationship between education and economic development, see Noah Berger and Peter Fisher, "A Well-Educated Workforce Is Key to State Prosperity," Mass. Budget and Policy Center, August 2013, available at [http://massbudget.org/report\\_window.php?loc=education\\_wages\\_epi.html](http://massbudget.org/report_window.php?loc=education_wages_epi.html) (accessed 10/27/2014).

<sup>54</sup> See Mass. Budget and Policy Center "Jobs & Workforce Budget" available at <http://workforce.massbudget.org/>.

<sup>55</sup> See appendix for data on the federal EITC.

<sup>56</sup> See "Earned Income Credit" at <http://www.massresources.org/earned-income-credit.html>.

<sup>57</sup> See Alisha Coleman-Jensen, Mark Nord, Margaret Andrews, Steven Carlson, "Household Food Security in the United States in 2013", U.S. Department of Agriculture, Economic Research Service, September 2014, available at <http://www.ers.usda.gov/publications/err-economic-research-report/err173.aspx#.VEf0lFeGeCl> (accessed 10/21/2014).

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<sup>58</sup> See, for example, Stephanie Ettinger De Cuba, Deborah A. Frank, Maya Pilgrim, Maria Buitrago, Anna Voremberg, "Food Insecurity Among Children in Massachusetts," *New England Journal of Public Policy*, September 2013, available at [http://www.childrenshealthwatch.org/wp-content/uploads/SEDC\\_NEJPP\\_2013.pdf](http://www.childrenshealthwatch.org/wp-content/uploads/SEDC_NEJPP_2013.pdf) (accessed 10/27/2014).

<sup>59</sup> Barbara Sard and Douglas Rice, "Creating Opportunity for Children: How Housing Location Can Make a Difference," Center on Budget and Policy Priorities, October 2014, available at <http://www.cbpp.org/cms/?fa=view&id=4211> (accessed 10/25/2014).

<sup>60</sup> See appendix for additional data on rents across the Commonwealth.

<sup>61</sup> See Mary Tittmann, "Shelter and Housing for Homeless Families: Historical Funding and the Governor's FY 2015 Budget Proposal," Mass. Budget and Policy Center, April 2014, available at [http://www.massbudget.org/report\\_window.php?loc=Shelter+and+Housing+for+Homeless+Families.html](http://www.massbudget.org/report_window.php?loc=Shelter+and+Housing+for+Homeless+Families.html) (accessed 11/4/2014).

<sup>62</sup> See Noah Berger, "Tax cuts that continue to haunt Mass.," originally in the *Boston Globe*, February 12, 2013, available at [http://massbudget.org/report\\_window.php?loc=op-ed\\_tax\\_cuts.html](http://massbudget.org/report_window.php?loc=op-ed_tax_cuts.html).

<sup>63</sup> Address to Congress, March 15, 1965.

<sup>64</sup> Data from National Equity Atlas, available at <http://nationalequityatlas.org/node/7156>.