



Obstacles on the Road to Opportunity: Finding a Way Forward Executive Summary

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Commissioned by the Massachusetts Association for Community Action
For full report, please go to www.masscap.org or www.massbudget.org*

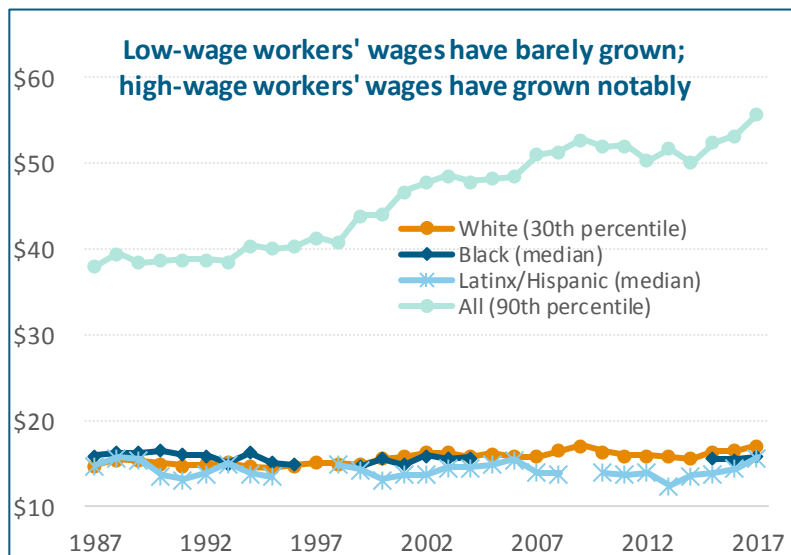
The Promise of Opportunity

The future of Massachusetts depends upon the success of our children. When our 1.4 million children are healthy, when they receive a great education, when their parents and caretakers have well-paying jobs, and when they live in flourishing communities, they have the best chance to thrive, and we all have the best chance at a bright future. Public policies play a crucial role in creating these essential conditions for the best opportunity for every child.

From the late 1940s to the 1970s, incomes for most working people grew at about the same rate as the U.S. economy grew. But there were still barriers keeping prosperity from reaching some people, even during a time of broadly-shared growth. In 1964, a “War on Poverty” confronted head-on the obstacles faced by those left behind by post-war prosperity. This War on Poverty and programs created as part of what was known as the “Great Society” used a community-based approach to address those obstacles to opportunity. Poverty dropped initially, but has persisted despite the documented success of these initiatives.

Obstacles Blocking the Road

While effective public programs can help remove obstacles along the road to opportunity, good jobs play a central role in paving that road. But too many jobs in today’s economy do not pay enough for working families to keep food on the table, keep a roof overhead, save for college, and put money aside for retirement.



Why does a family’s hard work no longer pave the road to opportunity? The economy has continued to grow in recent decades, but unlike in the post-World War II era, this growth has not translated into increased wages for low- and moderate-income families.

In fact, over the past several decades, national economic policies stopped emphasizing wage growth, Congress allowed the real value of the minimum wage to decline, and labor law enforcement agencies weakened protections for workers.

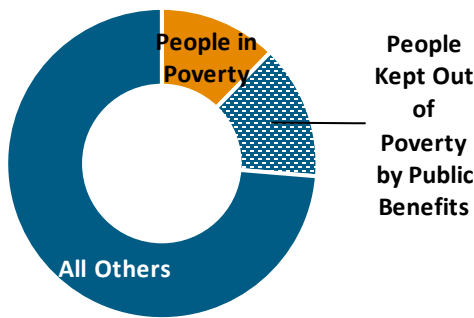
Communities and Opportunity

Well-resourced communities can lower barriers to opportunity for children and families, and public policy can help build stable and thriving communities. But when wages are low, and families find that their incomes aren't enough to afford the basics, children face significant obstacles to opportunity right from the start. In some communities in Massachusetts, more than one out of every four children lives below the official federal poverty line. Chronically under-resourced communities with more concentrated poverty create additional obstacles to opportunity for children. And even families who are "near poor"—living with incomes above poverty and up to twice the official poverty line—struggle to make ends meet in a high-cost state like Massachusetts.

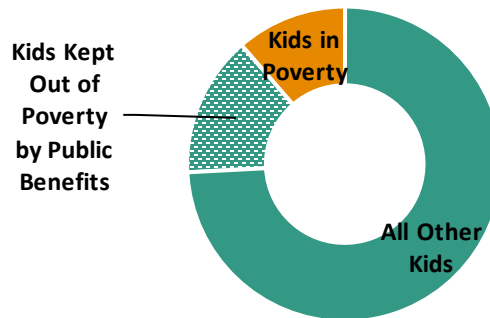
Removing Obstacles

Effective state and federal policies can help stabilize communities and remove obstacles to opportunity for families and children. When the state provides work supports for low-income families, or resources that help shore up families encountering difficult times, it is making investments that are crucial to family well-being.

Public Programs Cut Poverty Just About in Half in Massachusetts



Public Programs More Than Cut Child Poverty in Half in Massachusetts



Policies that help make work pay—such as the minimum wage and the earned income tax credit—and those that help people balance the demands of work and family—such as paid family and medical leave, earned paid sick days, and affordable child care—help working families find a way forward. Policies that help families make ends meet—such as those that help put food on the table or provide other income supports—can help families through hard times. Policies that help communities thrive—such as those that support safe, healthy, and affordable housing, and that support high quality local education from the earliest days and into young adulthood—help give every child the best chance at a bright future.

New and Emerging Roadblocks

New federal tax cuts for the wealthy and corporations will lead to a deep hole in the federal budget. To make up for that revenue loss, Congress and the Administration are proposing cuts to cut spending on programs benefiting low-income families. Cuts to federal funding would have an impact on a variety of state-provided services and supports, as many of the state agencies that administer these programs rely heavily on federal funds.

