

Anti-Poverty Advocacy in the Current Political Climate

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COALITION ON HUMAN NEEDS

Precipitous Deadlines

September 30:

- ✗ Farm bill (SNAP/food stamps)
- ✓ Appropriations
- ✓ Temporary Assistance for Needy Families

December 31:

- Bush tax cuts
- Unemployment Insurance

January 1:

- Spending cuts kick in (aka “sequestration”)

February?:

- Debt ceiling reached

And oh – in November...



Will Poverty and Economic Insecurity Matter in the Big Decisions Ahead?

- 46 million poor people (15%).
- 106 million people below 2x the poverty line (below \$46,000, family of 4) = **1/3 of the nation.**
- 16 million poor children (22%).
- Huge racial/ethnic disparities:

	Total Poor:	Children Poor:
White:	9.8%	12.5%
Black:	27.5%	37.4%
Hispanic:	25.3%	34.1%

Top Ten Cities for Child Poverty

Gary, IN:	70%	Reading, PA:	56%
Flint, MI:	61%	Rochester, NY:	55%
Detroit, MI:	58%	Cleveland, OH:	
Canton, OH:	58%		55%
Camden, NJ:	57%	Dayton, OH:	55%
		South Bend, IN:	
			54%

Poverty and Inequality Trends

- More poverty among families with children with at least one worker:
2009: 12.3% 2011: **13.1%**
- More poverty among families with children headed by women:
2009: 38.5% 2011: **40.9%**
- The share of aggregate income for the top 5 percent up by **4.9%** from 2010 to 2011.
- Bottom 80% either lost ground or stayed the same.

Nothing else will be decided before the election.

But if they are to meet the deadlines, Congress will have to act during the...



The Fiscal Cliff

- Spending cuts
- Tax increases

- Could push us back into recession...but only if Congress does nothing for a long time.



The Coming Cuts

Fiscal Year	Total Disc. Cap	\$ Cut from Baseline	% Cut from Baseline
2012	\$1.043t	\$44b	4%
2013	\$1.047t	\$62b	6%
2014	\$1.066t	\$68b	6%
2015	\$1.086t	\$73b	6%
2016	\$1.107t	\$79b	7%
2017	\$1.131t	\$87b	7%
2018	\$1.156t	\$95b	8%
2019	\$1.182t	\$103b	8%
2020	\$1.208t	\$111b	8%
2021	\$1.234t	\$119b	9%

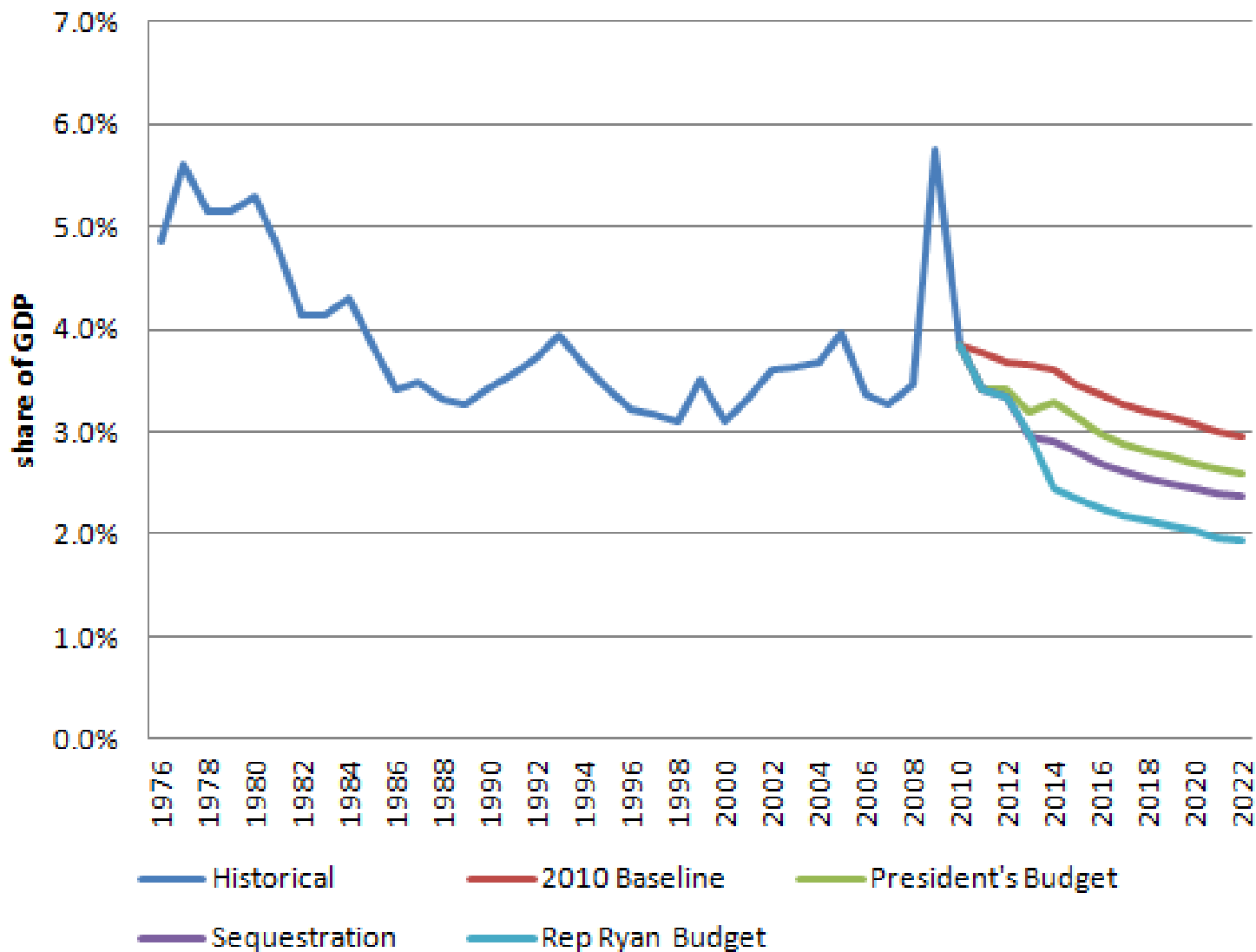
10 years of deeper cuts:

- **\$110 billion a year:**
- **\$55b Defense**
- **\$55b Not Defense**

Many, but not all, low-income mandatory programs are exempt from these cuts

Medicaid, SNAP, TANF, SSI, Pell Grants, UI, some child care, most child welfare...









Many Different Paths for NDD



Impact of Automatic Cuts (aka “sequestration”)

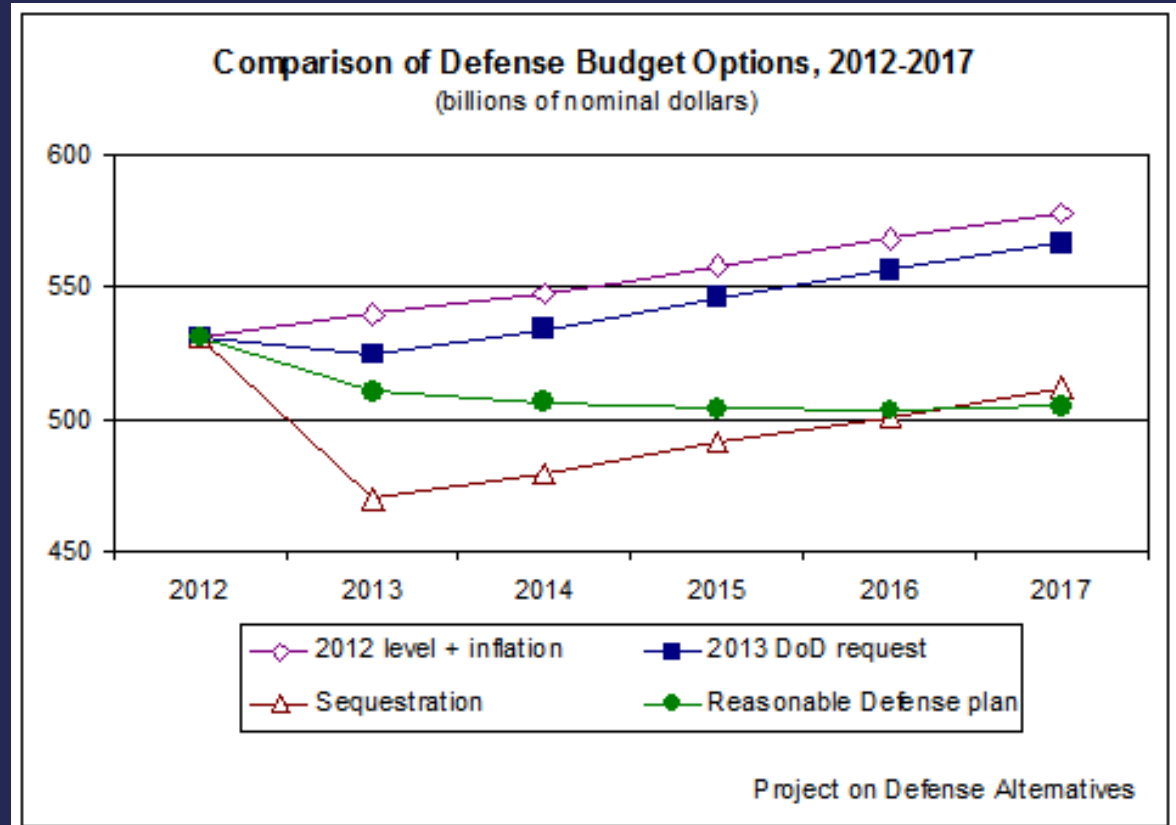
- ✂ 750,000 **fewer** infants, children and moms receiving WIC
- ✂ 413,000 **fewer** adults and youth getting job training
- ✂ 51,000 **fewer** veterans in ed/training
- ✂ 1.8 million **fewer** low-income schoolchildren with reading and math help
- ✂ 734,000 **fewer** households with home heating/cooling aid
- ✂ 185,000 **fewer** households receiving rental vouchers
- ✂ 96,000 **fewer** children in Head Start; 80,000 fewer children in child care
- ✂ 34,000 **fewer** women screened for cancer
- ✂ 1.5 million **fewer** low-income people helped in community action agencies (through Community Services Block Grant)
- ✂ 169,000 **fewer** admissions to substance abuse treatment

How much less than in FY 2010?

- Adult job training:  22.5 – 23.5 percent
- Adult basic education  19.5 – 20.5 percent
- IDEA education:  12.8 – 14.0%
- LIHEAP grants to states:  33.3 – 34.2 percent
- Public housing capital fund:  35 – 35.9 percent
- WIC:  20.9 – 22.0 percent
- Substance abuse treatment:  29.9 – 30.8 percent
- Maternal and Child Health:  16.4 – 17.5 percent

Is there room to cut the Pentagon?

- If sequestration takes effect through 2021, Pentagon will still have more than it had at height of Cold War (in real terms).
- After cuts in 2013, U.S. will still make 40% of world's military expenditures.

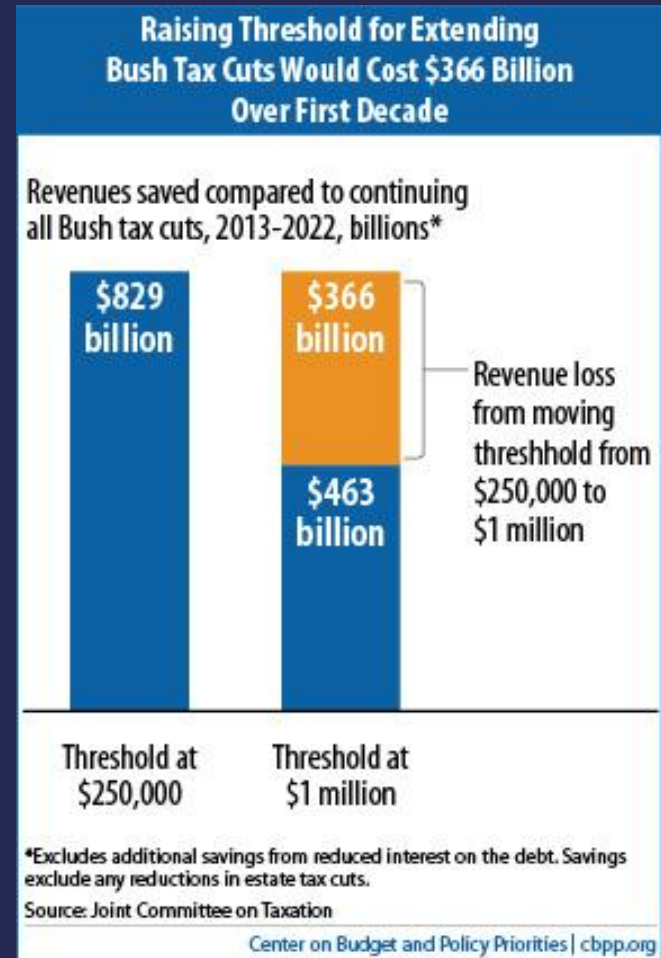
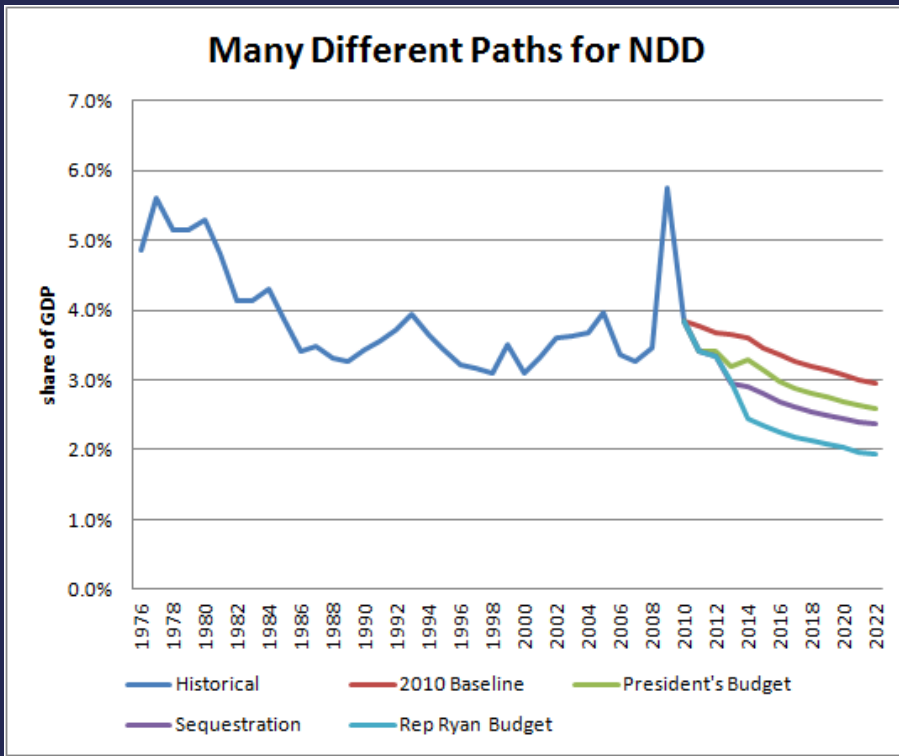


Poll Question:

To prevent the sequestration cuts from taking effect in 2013, would you

- Prevent defense cuts by cutting domestic and non-military international appropriations more.
- Prevent domestic and non-military international cuts by cutting defense more deeply than sequestration now calls for.
- Avoid both defense and domestic/international cuts by cutting mandatory programs like SNAP/food stamps, Medicaid, deeper cuts to Medicare, etc.
- I'd let the cuts take effect without change.
- Hey – I don't like any of these choices!

No solution without revenues



Who benefits from tax cuts?

Income Level	Extend All Tax Cuts	Extend up to \$250k	Total Gain From 2004-2014
Top 1% (Average = \$1.5m)	\$70,790	\$20,130	\$522,062
Middle 20% (Average = \$44,880)	\$820	\$880	\$9,908
Lowest 20% (Average = \$13,850)	\$120	\$270	\$1,426

Sources: Citizens for Tax Justice,
Center on Budget and Policy Priorities



Inequality got worse in 2011

- Got worse in 20 states from 2010 to 2011. (The year before, worsened in 9 states.)
- Accelerates a decades-long nationwide trend.

No need for more tax cuts at the top.

When income grows, who gains?

Between 1948 and 1979:

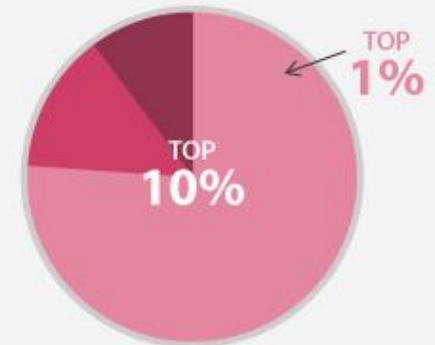


Average incomes in the U.S. **grew** by \$20,822

The richest 10% got 33% of that growth.

The bottom 90% shared 67% of income growth.

Between 2000 and 2007:



Average incomes in the U.S. **grew** by \$1,460

All growth went to the richest 10%.

Income for the bottom 90% actually declined.

■ Bottom 90% ■ Top 5-10% ■ Top 1-5% ■ Top 1%

Source: The data come from this table: <http://www.econ.berkeley.edu/~saez/TabFig2008.xls> on Emmanuel Saez's website at University of California, Berkeley.



What does the new poverty and income data tell us about policy choices?

- **We still need to invest in jobs:**

Poverty didn't rise in part because of 17% increase in FT work in bottom quintile; but wages still too low; 13% of working families with children poor.

- **We still need UI:**

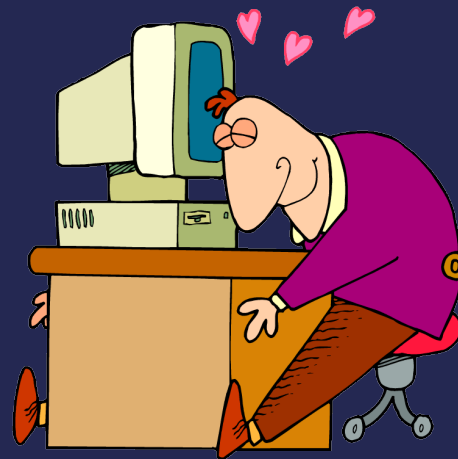
Lifted 2.3 million people out of poverty in 2011.

- **We still need SNAP and low-income tax credits:**

SNAP lifts 3.9 million out of poverty; EITC, 5.7m

**We can do something
about this.**

Hint:



Strengthening America's Values and Economy **(SAVE) For All**

Principles:

- ✓ **Protect low-income and vulnerable people**
- ✓ **Promote job creation to strengthen the economy**
- ✓ **Increase revenues from fair sources**
- ✓ **Seek responsible savings from the Pentagon and other areas**

Letters to Congress

Joint Letter from Groups

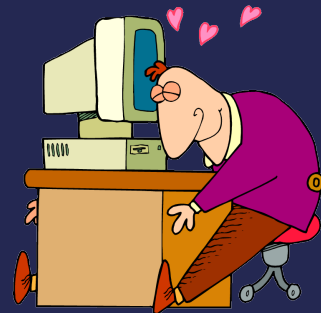
Need thousands of groups from every state – religious, service provider, labor, community, business...

Deadline: September 19, but will extend for you!



Individual Emails

Anyone can send email to their Rep. and Senators – click and send our text or substitute your own.



Other ways to be heard

- Events in the state/district
- Op-eds, Letters-to-the-Editor
- Arrange a conference call with your Rep or Senator(s)
- Go to public events

501(c)(3) orgs:

You can speak about issues you work on – you cannot comment on a candidate's fitness for office.



All important!

To keep connected to timely info and action steps, and to sign the letters:

www.chn.org

(click on “Take Action”)



Thanks!