

# Book

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Foundation For Community Empowerment



# Summary

**David K. Shipler**

*The Working Poor: Invisible in America*

In *The Working Poor: Invisible in America*, David K. Shipler describes the lives of America's low-wage earners and families living in or near poverty. Shipler explores the stories of numerous families and individuals, dedicating each chapter to one of the overlapping elements of deprivation. In each one, he narrates in great detail the lives of his interviewees.

Shipler emphasizes America's disregard for its working poor, the interlocking nature of the problem of poverty, and the diversity to be found in the roots, causes, and conditions of poverty faced by low-wage earners.

## **MONEY AND ITS OPPOSITE**

Chapter 1, "Money and Its Opposite," explains the workings and effects of tax payments and refunds, the abuse of the poor by public and private institutions, the spending habits of the working poor, the consumerist culture of the United States, and the omnipresence of money as a guiding factor in the lives of the working poor.

For many working poor, the Earned Income Credit represents a once-a-year, significant source of income. It may equal the down payment on a car or house, pay other taxes, or pay a significant portion of bills or debt, and is hailed by Shipler as one of the few programs in place with a positive effect.

In dealing with government bureaucracy or private business, the working poor are particularly susceptible to abuse by public service providers, financial service providers, con artists, and even employers. Government agencies sometimes mislead the poor regarding their

entitlements, unlawfully denying them access to many benefits. Financial service providers may misguide or misinform their clients about their services, entitlements, or rights. For example, check-cashing services and tax preparers may charge high interest rates and exponential fees for their services. Employers are sometimes able to escape paying overtime and fulfilling other provisions of labor laws due to the ignorance or helplessness of poor workers. Often, the poor simply ignore the abuse endured or find they have no recourse for help.

Shipler also describes wasteful spending habits of the working poor he interviewed. Many families spent income on non-essentials, such as cell phones or cable television, or failed to spend money wisely on healthy food. People often developed crippling credit card debt and were eventually forced to declare bankruptcy. Individuals became victims to high fees

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and high interest rates, and suddenly found that they simply could not escape debt. Such trends are fueled by the insatiable consumer appetite induced by

aggressive advertising and peer pressure. American culture, according to many of Shipler's interviewees, promotes seeking immediate gratification and newer and better products, which makes self-discipline in spending difficult. Money, understandably, is a constant preoccupation in the minds of the working poor.

### WORK DOESN'T WORK

Chapter 2, "Work Doesn't Work," chronicles the struggles of three working women as they attempt to climb out of poverty through employment. They hold jobs that pay between \$6 and \$7 per hour and attempt to eke out a living with the additional assistance of welfare checks, food stamps, Medicaid, and other services. However, a slight raise in their pay creates an offsetting loss in benefits.

They are all single mothers with male partners that enter and exit their lives, frequently causing more hardship or leading to the conception of more children. Additionally, hardships at home usually affect their work, which jeopardizes their minimal income. Some have participated in worker training programs, but none of the programs has enabled them or their classmates to get better jobs.

Expenditures on gas, day care, check-cashing fees, rent, late fees, savings for Christmas presents, utilities, and some clothing for their children rapidly eat up the small incomes of these women. Snacks and unhealthy foods represent a significant portion of their expenses, since they seldom have time to cook, nor do they have much cooking knowledge.

Health problems abound as well. One of the women has faced numerous obstacles due to her daughter's learning disabilities, which, due to the mother's

Because of these obstacles, none of the women has been able to climb out of poverty through work, a situation that defeats the oft-quoted "American Myth" of hard work and opportunity. They are trapped in low-paying jobs with no advancement opportunities. Amid the harsh reality of such a hopeless situation, Shipler emphasizes the irony of such poverty during years in which great numbers of Americans have experienced unprecedented wealth.

### IMPORTING THE THIRD WORLD

Chapter 3, "Importing the Third World," addresses the poor immigrant workers, both legal as well as illegal, laboring in sweatshop conditions in the United States. Shipler recounts the working conditions of numerous sewing shops in Los Angeles, where legal and illegal immigrants from Mexico, Honduras, Korea, Vietnam, Ethiopia, Thailand, Cambodia, and other nations work for wages below the federal minimum wage and without overtime pay.

In many clothing manufacturing environments, people who work on a pair of pants make as little as \$2, yet this pay is often higher than that received in the home countries of the immigrants. For this reason, as well as fear of detection and deportation, immigrants quietly accept employer abuse.

The prosperity of the United States has not been accompanied by any equalization of wages. The gap has instead grown, and the most disturbing fact, according to Shipler, is that opportunities for upward mobility during a worker's lifetime, and especially for low-skilled immigrants, have not increased.

More barriers to upward social mobility seem to exist today than thirty years ago. Those lacking

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inability to spend sufficient time with her or to mentor her adequately, have not been overcome. Furthermore, the schools the child has attended, which serve low-income neighborhoods, have been incapable of providing adequate programs for her.

Depression and suicide attempts are common, and the women have frequently suffered spousal abuse or neglect. One of the women suffers from a physical disability—one that could be easily corrected with adequate financial resources—which has consistently prevented her from advancement.

fluency in English, proper immigration papers, or advanced skills cannot escape low-paying wages. Many immigrants enter the United States and remain in the same low-paying positions for decades, with no legal recourse for abuses and no possibility for improvement. Even for subsequent generations, hope for advancement is seldom certain.

Shipler concludes the chapter ascertaining that while these immigrants may not be American by birth, they are an essential part of the United States. They sustain restaurants, farms, parking garages,

landscaping, painting contracting services, and construction businesses and make key contributions to the nation's economy and well-being.

## HARVEST OF SHAME

Chapter 4, "Harvest of Shame," tells of the harsh living conditions of migrant farm workers across the United States. They receive low wages—mostly minimum wage; live in deplorable housing; are exposed to hazardous pesticides and herbicides; face little government enforcement of labor laws; are difficult to organize due to the transient nature of their work and the undocumented status of most; and are constantly on the move, which does not allow their children stable access to education.

Some benefit from kinder employees, who negotiate labor contracts with unions, provide assistance with purchases of homes or cars, and offer incentives to stay throughout the year. Others, however, suffer under harsh conditions, including constant exposure to dangerous chemicals, lack of negotiations with unions for higher wages, and ignorance of labor laws.

Decades ago, African Americans provided most of the southern farm labor. Today, after migration from south to north and from farms to cities, most of these workers are from Mexico and Central America. Ninety-eight percent of the Mexican and Central American migrant workers are undocumented immigrants. They are ineligible for government benefits, cannot open bank accounts or apply for drivers' licenses in most states, and cannot contest wages or working conditions for fear of deportation.

In terms of wages, one young couple received \$250 every other week, because half of their pay was withheld in order to pay the *coyote*—the man who had brought them from Mexico. Many were paid the federal minimum wage of \$5.15 per hour, yet all made their contributions to the Internal Revenue Service and the Social Security Administration. Shipler notes that, despite these conditions, most of his interviewees expressed no anger or resentment.

Union organization is difficult for migrant workers because they do not stay in one place long, cannot risk a strike or dismissal, and are frequently undocumented. Organizations like the Farm Labor Organizing Committee and United Farm Workers of America have

made some progress, achieving three-party contracts with buyers (such as Heinz) as well as employers through negotiations, and sometimes strikes. These contracts are not only for wages and living conditions, but also for worker safety, such as limiting exposure to pesticides and herbicides that have dangerously affected the health of workers and their children.

## THE DAUNTING WORKPLACE

Chapter 5, "The Daunting Workplace," addresses the diverse challenges the workplace holds for those from the lower rungs of the socioeconomic ladder. Many working poor have no work experience, no education, a criminal record, a drug addiction, and a lifelong absence of role models. Dysfunctional families in which no one works, or even ventures outside the neighborhood, have provided no support system or role models.

These circumstances lead people to develop a crippling fear of the world beyond their neighborhood—especially a fear of the workplace. Furthermore, anxiety, low self-esteem, a sense of

personal incompetence and inadequacy, and anger prohibits many from attaining and maintaining employment.

On the employers' side, many managers seek "soft skills" (sometimes called "people skills") and a work ethic that they argue are missing in most welfare recipients, ex-convicts, drug addicts, or the uneducated

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and inexperienced. Soft skills and work ethic refer to punctuality, diligence, and a "can-do" attitude. Instead, many employers complain that they must deal with tardiness, absenteeism, lack of initiative, physical violence, and high attrition rates. However, Shipler points out that employers may also have prejudices about race and welfare.

Shipler did find some success stories, which often included a worker in need of a job and a compassionate and energetic employer, yet a basic economic and social problem exists that cannot be solved by the private sector.

First, more and more low-skilled jobs are being exported to third-world countries, leaving the poor in the United States with fewer opportunities. Second, as the U.S. economy develops and demands more skilled labor, the less skilled workers suffer. Research has shown that 37% of American adults lack basic math skills and cannot read a bus schedule or write a letter

about a credit card error. With such a lack of basic skills, the situation is dim for poor Americans.

### THE SINS OF THE FATHERS

Chapter 6, “The Sins of the Fathers,” begins by unveiling an epidemic of sexual abuse that affects all classes and races in the United States. Both the wealthy and the poor are abused; however, the wealthy tend to have the financial as well as the family resources that enable them to overcome abuse.

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Shieler writes that not much is known about the prevalence of sexual abuse, but it is estimated that one in four or one in five women have suffered from sexual abuse. He speculates that the percentage may be higher among low-income single mothers, because it is well-known that the trauma sexual abuse causes debilitates victims in ways consistent with limitations frequently seen among the poor.

Unwise choice of male partners, deep mistrust, emotional distance, incapacity for intimacy, and failure to form attachments are some of the most common effects. The inability to find a male partner and maintain a healthy relationship hampers economic potential of a household, and Shieler notes that half of poor families are headed by a single mother, with 9% headed by a single father.

Furthermore, sexual abuse may also induce sexual relations at an earlier age, which can perpetuate the cycle of poverty. Women who suffered from sexual abuse and later bore children of their own were unable to properly deal with their own emotional scars, and many times subjected their children to the ills of poverty, attempting to maintain a single-parent household in dangerous neighborhoods with low-quality education. Abuse is not limited to sexual abuse, but also includes many forms of physical and emotional abuse.

Shieler writes that neglectful parenting, which is found among all classes and races, can have more pernicious effects upon children in poverty, and is also more frequently found in families living in poverty due to the lack of resources—such as time and emotional stability—that allow for better parenting. People are rarely explicitly taught parenting skills; hence, parents who didn’t experience adequate care and support in childhood seldom know how to offer it to

their own children. Many have no experience playing with children, and because play is critical in fostering cognitive development and problem-solving skills as well as in building relationships with significant adults, its lack can have effects throughout adulthood.

One program that attempted to address this problem offered parenting lessons to soon-to-be-released prisoners who had children. In another program, pediatricians, nurses, development specialists, early childhood educators, and social workers met with parents and children to provide health care and periodic developmental evaluations for the children as well as guidance, counseling, and other forms of support for the parents. Almost all of the families participating in the program were off welfare and had been self-supporting for 10 years, while only half of the control group families who were not participating were off welfare and self-supporting. The program resulted in more years in education, births of fewer children, and much higher achievement for children in school. Programs that offer emotional support for parents have also proved successful.

### KINSHIP

Chapter 7, “Kinship,” emphasizes the role that kinship plays in overcoming the hardships of poverty. Shieler writes, “Kinship can blunt the edge of economic adversity” (p. 179). He describes a family of five that has faced all forms of hardship and poverty—from job loss to cancer to the death of the mother—yet holds together through bonds of love and caring. He also chronicles the story of a woman who chose to earn significantly less and be plunged into poverty and debt in order to spend time with her children, one of whom eventually attended Dartmouth College.

Beyond the household, Shieler tells of generous acts by strangers, community members, employers, and co-workers that have eased the burden of poverty or hardship for many. Even bartering proves to build much-needed relationships among the poor. Shieler argues that kinship, among the hard skills (technical and administrative) and soft skills necessary for employment, stands as one of the most important factors leading to successful life in the economic sense. Kinship provides emotional as well as material support that can help a family endure.

### BODY AND MIND

Chapter 8, “Body and Mind,” addresses health issues affecting poor families. Shieler mentions malnourishment, susceptibility to infections, disease, chronic conditions (such as asthma, diabetes, and allergies), premature birth, retarded cognitive and physical development, stress, and emotional distress

as some of the ailments afflicting poor families. It is not uncommon for children in poor families to suffer from poor diets, which can be the cause of numerous related health problems.

Some studies have classified 11.1%, or 12.1 million, of the country's households as "food insecure" because they reported themselves as having been uncertain whether they could afford enough food during 2002. However, such studies do not take into account the quality of the food, and may therefore underestimate the problem.

Infections become a much greater threat to malnourished children whose immune systems are not developed enough to resist them. Also, developmental problems ensue because a child's physical and cognitive development is stifled by lack of appropriate nutrition. The cognitive effects may be critical enough to prevent average performance in school through adolescence and beyond. Mild mental retardation is also increasingly prevalent as household income declines.

challenges faced by both teachers and parents in educating children. Both parents and teachers may hold stereotypes about each other, and there is frequently mistrust and lack of communication between the two groups.

Often, children's health problems and household instability prevent them from fully participating in school or even attending on a regular basis. Drug use, family violence, and pregnancy can debilitate a child's learning, and as students progress through school, they see fewer opportunities awaiting them after graduation. By the time students reach the 11<sup>th</sup> grade (if they have not dropped out), professional aspirations have frequently vanished.

Other problems described by Shipler include low expectations of achievement, excessive focus on and bias in standardized tests, and inadequate or low-paid teachers. The inequities in funding and lack of resources also leave many schools and teachers without access to technology or even to printed material. As was the case with health clinics that

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Some cities and states have developed adequate assistance programs, but most have not. Furthermore, existing clinics are frequently unable to afford staff for home visits, which severely restricts doctors' abilities to understand the home environment and feeding habits.

Cultural and language barriers further restrict gathering information and communicating instructions for adequate care and nutrition of children. Above all, health problems arise from numerous factors associated with poverty—chiefly poor housing—over which doctors have little control.

To make matters worse, government institutions and bureaucracies sometimes employ a variety of means to prevent families from utilizing health care, housing, or food entitlements. Some doctors and caseworkers have successfully enlisted the help of lawyers, who with a mere phone call can exert pressure on the welfare department or on landlords about food stamps allotments or living conditions.

## DREAMS

Chapter 9, "Dreams," begins with the ambitious professional aspirations of sixth and eighth grade children from poor families in Washington, DC. Shipler contrasts these aspirations with the enormous

faced problems beyond their control, schools face the interlocking problems of poverty that are beyond their reach. Some programs, such as free or reduced-price breakfasts and lunches, can help. However, Shipler concludes that poverty stands as a barrier to equal opportunity, or to any opportunity, for children in the U.S. today.

## WORK WORKS

Chapter 10, "Work Works," is dedicated to the positive impact that job training and working has had on some poor individuals and families. Job training programs that teach soft skills as well as hard skills and are successful in instilling confidence and self-esteem are appreciated by employers.

There have been a few success stories across the nation, particularly those of situations in which the job training programs and the hiring of former welfare recipients were clearly beneficial to business. Xerox, for example, established a partnership with a local job training program and hired many of its graduates. In other efforts, corporate CEOs have helped steer the job training programs while hiring employees for their companies. In still others, programs have put trainees to work for local firms as part of the training, which has allowed them to receive a small stipend, valuable work

experience, and an opportunity for employment at the end of the training program.

Working seems to instill in former drug addicts or welfare recipients a sense of competence, pride, and hope for the future. One of the most successful job training programs mentioned in the book is So Others Might Eat (SOME) in Washington, DC. Shipler describes the life of Ricky Drake, a Vietnam veteran who dealt with drug addiction and unemployment but later found skills and purpose in a job training program.

Shipler also tells of Leary Brock, a former crack addict who became a successful Xerox employee, and then achieved the position of Service Coordinator and Technical Service Manager at the Department of Energy. Both were students of the SOME training program, and both turned their lives around through the training and work offered by the program.

Shipler states that “work works” when other factors and circumstances—a cohesive family with multiple wage earners, a sense of competence, job-finding skills, money management skills, and persistence—fall into place. Drug or alcohol abuse, domestic violence, poor schooling, illness, or injury can seriously jeopardize the opportunity for upward social mobility. Therefore, the stories of success, commonly overstated by the popular “American Myth” of opportunity, are in actuality extremely rare.

## SKILL AND WILL

Chapter 11, “Skill and Will,” emphasizes that American society must understand what it can do (what skills and resources it has) and what it would do (what will it has) to combat poverty. The approach to remedying poverty, Shipler argues, must be holistic, tackling all problems associated with it at once. Poverty is complex, and so any remedy must be multidimensional. Shipler writes:

*[W]orking poverty is a constellation of difficulties that magnify one another: not just low wages but also low education, not just dead-end jobs but also limited abilities, not just insufficient savings but also unwise spending, not just poor housing but also poor parenting, not just the lack of health insurance but also the lack of healthy households. (p. 285)*

Shipler emphasizes the role of the vote, decrying that the poor are simply not voting sufficiently to impact public policy. Using government as a tool is the best way to make a difference to the working poor, through things such as tax policy, regulation, wage requirements, subsidies, and grants.

The most evident issue that can be addressed, according to Shipler, is the wage structure. Minimum wages in different parts of the country could be based

on living costs. The Earned Income Tax Credit should be more publicized and expanded. More can be asked from companies for tax abatements and subsidies—especially in terms of hiring. Such measures could be taken to create a fairer distribution of income and offer more opportunities for employment.

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In terms of education, Shipler writes that the poor need sophisticated job training programs and vocational education in high school, together with a network of apprenticeships for those who do not go to college. Because the country’s prosperity relies on underpaid workers, a fact which will not change, the best way to improve a worker’s wage is through promotion and upward mobility. With respect to educational funding, more attention must be paid to the unequal financing of schools. Currently, the system preserves privilege and inequity and perpetuates the cycle of poverty. Money will not solve everything, however, as there are a variety of other factors.

Health care and insurance are of great significance to families, Shipler points out. A single-payer national health insurance system is needed. Programs such as the Infant Health and Developmental Program, through which pediatricians, social workers, home visitors, and others treat premature babies from birth through age three, monitor their health, refer families to services, and provide educational child care, have been greatly successful. Participating children had higher IQ scores, larger vocabularies, and fewer behavioral problems than those who had not received the services.

Shipler contends that the U.S. can pay for these changes—especially if the wealthy are willing to sacrifice a little more. Also, the debate over poverty must rise above ideological disagreements; Shipler asks that both liberals and conservatives reach across ideological boundaries to institute programs and approaches that work. Shipler concludes:

*Opportunity and poverty in this country cannot be explained by either the American Myth that hard work is a panacea or by the Anti-Myth that the system imprisons the poor. Relief will come, if at all, in an amalgam that recognizes both the society’s obligation through government and business, and the individual’s obligation through labor and family—and the commitment of both society and individual through education. (p. 300)*

**About the author:** Shipler worked for *The New York Times*, reporting from New York, Saigon, Moscow, and Jerusalem before serving as chief diplomatic correspondent in Washington, D.C. He has also written for *The New Yorker*, *The Washington Post*, and the *Los Angeles Times*. He is the author of three other books—*Russia: Broken Idols, Solemn Dreams*; the Pulitzer-Prize winning *Arab and Jew: Wounded Spirits in a Promised Land*; and *A Country of Strangers: Blacks and Whites in America*. Mr. Shipler, who has been a guest scholar at the Brookings Institution and a senior associate at the Carnegie Endowment for International Peace, has taught at Princeton University, American University in Washington, D.C., and Dartmouth College. He lives in Chevy Chase, Maryland.

**Summary:** Andres Correa, Research Associate, Foundation for Community Empowerment

FCE, a 501(c)3 non-profit organization, was founded in 1995 by J. McDonald “Don” Williams, Chairman Emeritus of the Trammell Crow Company. FCE is a catalyst for the revitalization of low-income neighborhoods in Dallas through the empowerment of individuals, community- and faith-based organizations and entire communities. FCE seeks to build bridges of opportunity, and to foster relationships where investments of money, time, people, and resources should be made.



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