Living on the Edge

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family debriefing

- All family members return to their homes
- Return all materials to the family packet
- Reflect on what your family’s experiences were in general
group debriefing

- What feelings did you experience during your month in poverty? How did you feel about yourself? Why did you feel that way?
- What happened to your family? What good things? What bad things?
- How did other people respond to your needs? How did you feel about their responses?
- Did your attitudes change during the month? If so, how?
How many families....

- Paid the rent or mortgage bill
- Kept the utilities on
- Bought the required food each week
- Made loan payments
- Carried out their “luck of the draw” card demands
- Were evicted
- Improved their situation during the month
- Are in worse shape than at the beginning
How many people....

- Looked for a job
- Neglected their children
- Cheated, stole money, or did something else illegal
debriefing

- Did you help each other out?
- How did the children feel about the family’s situation? Why?
- How do you think poverty affects relationships?
What insights or conclusions have you come to about the life experience of low-income families?

What do you think you can do to change the perception of the low income in your community?
The federal poverty guideline was established in 1964 by the Social Security Administration and was based on the Department of Agriculture's economy food plan. The Agriculture Department's 1955 Household Food Consumption Survey found that the average dollar value of all food used during the week accounted for one third of a person's total money income after taxes. Therefore, the federal poverty guideline does *not* take into account housing costs, transportation, child care, energy costs, insurance or healthcare or indeed, any of the other factors that contribute to poverty.

The federal government defines poverty in 2013 as a family of four earning $23,550 per year ($452/week). However, research suggests that families actually need almost twice the federal guideline in order to meet basic needs. Families of four who fall below this 200% of the federal guideline are referred to as low-income.

People in poverty are less likely to have bank accounts and often resort to alternative banking options such as payday loan and check cashing businesses. The typical payday loan borrower pays $793 for a $325 loan, although fees can range as high as 400%. (Center for Responsible Lending)

4.2 million lower income homeowners (earning less than $30,000 annually) pay higher than average prices for mortgages, auto loans and excessive fees for furniture, appliances and electronics. They also tend to pay more for basic financial services, groceries and insurance. These extra costs add up to hundreds (sometimes thousands) of dollars per family. (Center for Responsible Lending)

On average, Americans spend 5% of their income on paying energy bills. However, for lower income households energy costs average 18-20 % or more. These costs include heating, cooling, appliances, lighting, etc. The difference between 5% and 18% for a family of four in poverty is $88 per month to $318 per month for utility costs. (U.S. Department of Energy)

Housing costs for low income families who receive no subsidy or assistance (such as Section 8 vouchers) spend as much as 50 to 75% of their annual income on rent. (“Connecting the Dots” by David K. Shipler)
Missouri Association for Community Action
Key Points

- This work is based on patterns and all patterns have exceptions.
- We cannot blame the victims of poverty for being in poverty.
- We cannot continue to support stereotypes and prejudices about the poor.
- Schools and businesses operate from middle-class norms and use the hidden rules of middle class.
- This discussion focuses on economic diversity, not racial or cultural diversity.

- Generational poverty and situational poverty are different.
- Poverty is relative and so is wealth.
- In order to move from poverty to middle class or from middle class to wealth, an individual must give up relationships (at least for a time) for achievement.
- Individuals bring with them the hidden rules of the class in which they were raised.
<table>
<thead>
<tr>
<th>Behavior of Individual</th>
<th>Absence of Human and Social Capital</th>
<th>Exploitation</th>
<th>Political/Economic Structures</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Addiction</td>
<td>• Adequate skill sets</td>
<td>• Drug trade</td>
<td>• Corporate influence on legislators</td>
</tr>
<tr>
<td>• Breakup of families</td>
<td>• Availability and quality of education</td>
<td>• Gambling</td>
<td>• Decline of unions</td>
</tr>
<tr>
<td>• Commitment to achievement</td>
<td>• Availability of jobs</td>
<td>• Internet scams</td>
<td>• Declining middle class</td>
</tr>
<tr>
<td>• Criminal behavior</td>
<td>• Availability of well-paying jobs</td>
<td>• Job safety</td>
<td>• Deindustrialization</td>
</tr>
<tr>
<td>• Dependence on welfare</td>
<td>• Childcare for working families</td>
<td>• Lease to buy</td>
<td>• Economic disparity</td>
</tr>
<tr>
<td>• Domestic violence</td>
<td>• City and regional planning</td>
<td>• Payday lenders</td>
<td>• Equity and growth</td>
</tr>
<tr>
<td>• Intergenerational character traits</td>
<td>• Decline in neighborhoods</td>
<td>• Racism and discrimination</td>
<td>• Globalization</td>
</tr>
<tr>
<td>• Language register</td>
<td>• Decline in social morality</td>
<td>• Sex trade</td>
<td>• Immigration patterns</td>
</tr>
<tr>
<td>• Mental illness</td>
<td>• Intellectual capital</td>
<td>• Sub-prime lenders</td>
<td>• Job loss</td>
</tr>
<tr>
<td>• Morality</td>
<td>• Middle-class flight</td>
<td>• Insurance premiums</td>
<td>• Racism and discrimination</td>
</tr>
<tr>
<td>• Orientation to the future</td>
<td>• Racism/discrimination</td>
<td>• Temp work (30 hrs/week)</td>
<td>• Salary ratio of CEO to line worker</td>
</tr>
<tr>
<td>• Planning skills</td>
<td>• Social capital</td>
<td>• Gender wage disparity</td>
<td>• Taxation patterns</td>
</tr>
<tr>
<td>• Single parenthood</td>
<td>• Suburbanization of manufacturing</td>
<td>• Corporate bankruptcy</td>
<td>• Mortgage crisis</td>
</tr>
<tr>
<td>• Spending habits</td>
<td>• Urbanization</td>
<td>resulting in loss of pensions</td>
<td>• Collapse of financial industry</td>
</tr>
<tr>
<td>• Work ethic</td>
<td>• Increasing college tuition</td>
<td>• Low-balance checking account fees</td>
<td></td>
</tr>
</tbody>
</table>

**Personal choice** | **Community resources** | **Social attitudes** | **Systemic causes**
MENTAL MODELS

- Are internal pictures of how we perceive the world works
- Developed by our experiences
- Exist below awareness
- Are not always based on fact and may be inaccurate
- Determine how we act
- Can help or interfere with learning
For a dialogue to occur we must suspend our mental models
MENTAL MODEL OF POVERTY

Survival: tyranny of moment
Entertainment: escape
Relationships: resources
Unstable environment
No ability to plan
No future story
No choice
No power

Survival
Relationships
Entertainment

Schools
Social Service
Police
Church
Tyranny of the Moment

“The need to act overpowers any willingness people have to learn.”

Source: The Art of the Long View by Peter Schwartz
# DRIVING FORCES: For Decision Making

<table>
<thead>
<tr>
<th>POVERTY</th>
<th>MIDDLE CLASS</th>
<th>WEALTH</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Survival</strong></td>
<td><strong>Work</strong></td>
<td><strong>Connections:</strong></td>
</tr>
<tr>
<td><strong>Relationships</strong></td>
<td><strong>Achievement</strong></td>
<td><strong>Political</strong></td>
</tr>
<tr>
<td><strong>Entertainment</strong></td>
<td><strong>Material security</strong></td>
<td><strong>Financial</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Social</strong></td>
</tr>
</tbody>
</table>
When Poverty and Middle Class/Wealth Collide

Entertainment
Survival
Relationships
Tyranny

Work
Material Security
Achievement
Connections
HIDDEN RULES

- Unspoken cues and habits of a group
- Come from the environment in which one was raised or lives
- Are easily broken because they are hidden
- Seldom articulated
- Erroneously equated with lack of intelligence
- Allow us to understand the behavior of ourselves and others

- Used for survival
- Used to navigate different and difficult situations
- Used to build resources
- Used to resolve conflict
- Used to help people in poverty gain power and influence and move out of poverty
<table>
<thead>
<tr>
<th></th>
<th><strong>POVERTY</strong></th>
<th><strong>MIDDLE CLASS</strong></th>
<th><strong>WEALTH</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>POSSESSIONS</strong></td>
<td>People.</td>
<td>Things.</td>
<td>One-of-a-kind objects, legacies, pedigrees.</td>
</tr>
<tr>
<td><strong>MONEY</strong></td>
<td>To be used, spent.</td>
<td>To be managed.</td>
<td>To be conserved, invested.</td>
</tr>
<tr>
<td><strong>PERSONALITY</strong></td>
<td>Is for entertainment. Sense of humor is highly valued.</td>
<td>Is for acquisition and stability. Achievement is highly valued.</td>
<td>Is for connections. Financial, political, social connections are highly valued.</td>
</tr>
<tr>
<td><strong>SOCIAL EMPHASIS</strong></td>
<td>Social inclusion of the people they like.</td>
<td>Emphasis is on self-governance and self-sufficiency.</td>
<td>Emphasis is on social exclusion.</td>
</tr>
<tr>
<td><strong>FOOD</strong></td>
<td>Key question: Did you have enough? Quantity important.</td>
<td>Key question: Did you like it? Quality important.</td>
<td>Key question: Was it presented well? Presentation important.</td>
</tr>
<tr>
<td><strong>CLOTHING</strong></td>
<td>Clothing valued for individual style and expression of personality.</td>
<td>Clothing valued for its quality and acceptance into the norms of middle class. Label important.</td>
<td>Clothing valued for its artistic sense and expression. Designer important.</td>
</tr>
<tr>
<td><strong>TIME</strong></td>
<td>Present most important. Decisions made for moment based on feelings or survival.</td>
<td>Future most important. Decisions made against future ramifications.</td>
<td>Traditions and past history most important. Decisions made partially on basis of tradition decorum.</td>
</tr>
<tr>
<td><strong>EDUCATION</strong></td>
<td>Valued and revered as abstract but not as reality. Education is about facts.</td>
<td>Crucial for climbing success ladder and making money.</td>
<td>Necessary tradition for making and maintaining connections.</td>
</tr>
<tr>
<td><strong>LANGUAGE</strong></td>
<td>Casual register. Language is about survival.</td>
<td>Formal register. Language is about negotiation.</td>
<td>Formal register. Language is about connection.</td>
</tr>
<tr>
<td><strong>FAMILY STRUCTURE</strong></td>
<td>Tends to be matriarchal.</td>
<td>Tends to be patriarchal.</td>
<td>Depends on who has/controls money.</td>
</tr>
<tr>
<td><strong>WORLDVIEW</strong></td>
<td>Sees world in terms of local setting.</td>
<td>Sees world in terms of national setting.</td>
<td>Sees world in terms of an international view.</td>
</tr>
<tr>
<td><strong>LOVE</strong></td>
<td>Love and acceptance conditional, based on whether individual is liked.</td>
<td>Love and acceptance conditional, based largely on achievement.</td>
<td>Love and acceptance conditional, related to social standing and connections.</td>
</tr>
<tr>
<td><strong>DRIVING FORCES</strong></td>
<td>Survival, relationships, entertainment.</td>
<td>Work and achievement.</td>
<td>Financial, political, social connections.</td>
</tr>
<tr>
<td><strong>HUMOR</strong></td>
<td>About People and sex.</td>
<td>About situations.</td>
<td>About social faux pas.</td>
</tr>
</tbody>
</table>
An individual’s resources are unique personal qualities gained from family, friends, communities, experiences, and the environment in general.

Poverty can be defined as “extent to which an individual does without resources.”
RESOURCES-INTERNAL and EXTERNAL

INTERNAL
- **KNOWLEDGE OF HIDDEN RULES:** Knowing the unspoken cues and habits of a group.
- **MENTAL:** Having the mental abilities and acquired skills (reading, writing, computing) to deal with daily life; education; trade or skills.
- **EMOTIONAL:** Being able to choose and control emotional responses, particularly to negative situations, without engaging in self-destructive behavior. Shows itself through choices.
- **MOTIVATION AND PERSISTENCE:** Having the energy and drive to prepare for, plan, and complete projects, jobs, and personal changes.
- **INTEGRITY AND TRUST:** Produce good work and keep promises and commitments.
- **PHYSICAL:** Having physical health and mobility; appearance, fitness, athletic abilities.
- **SPIRITUAL:** Believing in (divine) purpose and guidance; one’s cultural base.

EXTERNAL
- **FORMAL REGISTER:** Having emotional control, vocabulary, language ability, and negotiation skills to succeed in work and/or school settings.
- **RELATIONSHIPS/ROLE MODELS:** Having frequent access to adults who are appropriate, nurturing, and who do not engage in destructive behavior.
- **SUPPORT SYSTEMS:** Having friends, family, and backup resources available to access in times of need. These are external resources.
- **FINANCIAL:** Having the ability to earn and manage money to purchase needed goods and services.
### RESOURCE QUOTIENT ASSESSMENT (INDIVIDUAL/COMMUNITY)

<table>
<thead>
<tr>
<th>Financial</th>
<th>Emotional</th>
<th>Mental</th>
<th>Spiritual</th>
<th>Physical</th>
<th>Support Systems</th>
<th>Relationships</th>
<th>Hidden Rules</th>
<th>Integrity</th>
<th>Motivation</th>
<th>Formal Register</th>
</tr>
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<tbody>
<tr>
<td>4</td>
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</tbody>
</table>

Possible Points: 44

My Points: 

### INTERNAL RESOURCES

- **KNOWLEDGE OF HIDDEN RULES**: Knowing the unspoken cues and habits of a group.
- **MENTAL/COGNITIVE**: Having the mental abilities and acquired skills (reading, writing, computing) to deal with daily life; education; trade or skills.
- **EMOTIONAL**: Being able to choose and control emotional responses, particularly to negative situations, without engaging in self-destructive behavior. Shows itself through choices.
- **MOTIVATION AND PERSISTENCE**: Having the energy and drive to prepare for, plan, and complete projects, jobs, and personal changes.
- **INTEGRITY AND TRUST**: Able to produce work that is good, and keep promises and commitments.
- **PHYSICAL**: Having physical health and mobility; appearance, fitness, athletic abilities.
- **SPIRITUAL**: Believing in (divine) purpose and guidance; one’s cultural base.

### EXTERNAL RESOURCES

- **FORMAL REGISTER LANGUAGE**: Having the vocabulary, language ability, and negotiation skills to succeed in work and/or school settings.
- **RELATIONSHIPS/ROLE MODELS**: Having frequent access to adults who are appropriate, nurturing, and who do not engage in destructive behavior.
- **SUPPORT SYSTEMS**: Having friends, family, and backup resources available to access in times of need. These are external resources.
- **FINANCIAL**: Being able to purchase the goods and services of that class and sustain it.
I’m Tuckered Out!
Should We Call it A Day? Have a drink?

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