

The Causes of Poverty Cultural vs. Structural: Can There Be a Synthesis?

Gregory Jordan

There are many competing theories about the causes of poverty in the United States with mountains of empirical evidence to justify support for each. The debate among theorists and policymakers is primarily divided between advocates who support cultural/behavioral arguments and those who support structural/economic arguments. This debate tends to manifest itself across political party lines with republicans supporting the cultural/behavioral thesis and democrats looking more to structural causes. The passage of the "behavioral" focused Personal Responsibility and Work Opportunity Reconciliation Act (1996) and its possible strengthening by the Bush Administration and its congressional allies calls for further examination of the relationship between cultural/behavioral and structural causes of poverty. This paper will briefly examine the theoretical arguments behind these competing views followed by an analysis to determine the empirical relevancy of each. It should be noted that the exploration of this topic *began* with the intention of making an argument for the fusion of these perspectives into a single empirically validated theory; one that would build upon Orlando Patterson's (2000) theoretical model on the interaction between cultural models, structural environments and behavioral outcomes.

In close similarity to Patterson (2000), my thesis is that cultural and/or behavioral variables are only relevant to the degree that historical structural factors condition the environment in which groups of varying economic and social advantage operate in and react to. More specifically, behavioral variables (e.g., teen pregnancy, divorce, crime) should not merely be viewed as static behavioral dysfunctions exclusive to certain groups, but as proxies for cultural mechanisms that are always at play in all social groups and in all contexts. These two perspectives should not be viewed as dichotomous, but interrelated and more or less relatively valid depending on the context. While Patterson argues for a dynamic integration of variables (a position I agree with), the ordinary least squares (OLS) analyses can at best reveal the relative relationships of the various independent variables to poverty; the results of which may provide a useful framework for a truly integrated and multiplicative model or perhaps a two-stage model with structural level variables conditioning the environment in which cultural/behavioral adaptations develop. However, the empirical tests that will be reviewed shortly demonstrate little support for the inclusion of cultural/behavioral variable into a larger structural model, but this failure is not without caveats. Based on several time series regression models using aggregated national level data for the years 1947 through 2002, an integrated model could not be constructed using

the selected behavioral/cultural variables and structural variables. Only annual changes in the structural variables were found to have any significant correlation with change in poverty.

A Culture of Poverty?

Culture tends to be the explanatory variable that theorists and policymakers look to last when attempting to explain social dysfunction, particularly due to the sometimes visible connection between culture and race (Glazer, 2000). This may be why cultural arguments waned from the discussion and why some theorists and policymakers came to link poverty to behavior (Mead, 1997; 1986), or to rational calculation (Murray 1984). These scholars argue that poverty is largely the result of social and behavioral deficiencies in individuals that ostensibly make them less economically viable within conventional society. However, due to persistence of poverty in certain areas, the behavioral perspective is reinforced by the culture of poverty thesis, which suggests that individuals create, sustain, and transmit to future generations a culture that reinforces the various social and behavioral deficiencies (Rodgers, 2000). A corollary to this perspective suggests that government policy, that is, welfare in the form of cash assistance to able bodied/minded adults, over the last forty years has created a culture of dependence on government aid, perpetuates poverty, and contributes to a variety of other social ills including rising rates of divorce (Murray, 1984).

The "culture of poverty" thesis, which emanated from the anthropological arguments of Oscar Lewis (1970), later came to be erroneously associated with laying blame for poverty either on the poor themselves or on a government that keeps them dependent (Patterson 2000). Along these lines, it is the deficient character of the poor along with their deviant behavior and the resultant self-reinforcing environment that restrict their access to economic viability and success. Rising rates of divorce, female headed single parent families, teen pregnancy, drug/alcohol misuse, and criminal activity are said to reflect these dysfunctional attitudes and values, relative to mainstream society, about family, education and work. These attitudes are passed onto subsequent generations leading to a vicious cycle of poverty from which few escape (Rodgers, 2000). Patterson (1994) traces the trajectory of the culture thesis from one based primarily in nuanced sociological and anthropological arguments to a more stereotypical and simplistic version. Regarding the former, Patterson (1994) quotes sociologist Herbert Gans' mid 1960s argument that the poor were "an economically and politically deprived population whose behavior, values - and pathologies - are adaptations to their existential situation, just as the behavior, values, and pathologies of the affluent are adaptations to their existential situation" (p. 116). Gans' view demonstrates a dynamic interaction between culture, environment and behavior.

The "culture of poverty" perspective must draw its relevance from cultural anthropology. The noted anthropologist Oscar Lewis wrote in 1961 that poverty was "an adaptation to a set of objective conditions of the larger society, [but] once it comes into existence, it tends to perpetuate itself from generation to generation because of its effect on children" (Patterson 1994, p. 119). While Lewis argued that poverty was culturally self-reinforcing, its incidence was directly connected to "structural conditions in society" (Massey and

Denton, 1993, p.5). This important point became lost as Americans internalized the view of poverty as expressed by a 1964 edition of the Saturday Evening Post which suggested the cause of poverty was in fact purely behavioral dysfunction transmitted between generations (Patterson, 1994).

Daniel Patrick Moynihan's landmark report, *The Negro Family: The Case for National Action* (1965), somewhat unintentionally contributed to the renewed, if misunderstood, relevance of cultural causes among conservative theorists and policymakers. Moynihan investigated the families of poor urban blacks and concluded that the disintegration of many of these families could be traced to their matriarchal character¹, a situation that stood in contrast to the patriarchal character of the larger society. The cognitive dissonance this created for black males contributed to the dysfunctional behaviors that reinforced their own condition. Since the Great Depression and prior to the 1960s, policymakers and social scientists tended to think that poverty was primarily caused by economic conditions. While controversial, "the Moynihan Report", which called for policies that improved the condition of the black family, contributed to a gradual resurgence of behavioral arguments. However, Washington at the time was dominated by the liberal side of the aisle, and, Moynihan's recommendations were effectively ignored during the design of the Great Society programs as funding was channeled to cash assistance instead of strengthening families. Conservative scholars would later argue that cash assistance added fuel to the fire of family disintegration by creating disincentives to marry and work.

The cultural/behavioral interpretation, which many argue found empirical support in "the Moynihan Report", saw its influence grow during the thirty years that preceded welfare reform in 1996. This view is well articulated by Myron Magnet (1993), in *The Dream and the Nightmare*, in which Myron argues that poverty comes from "a destitution of the soul, a failure to develop the habits of education, reasoning, judgment, sacrifice, and hard work required to succeed in the world" (Rodgers 2000 p. 69). In *Losing Ground*, Charles Murray (1984) suggests that just when tremendous improvements were being made in reducing poverty - though largely due to the post-war economic boom - the welfare system was then dramatically expanded under President Johnson's administration and led to welfare dependence and family disintegration instead of real poverty reduction. Murray does not necessarily view the poor as behaviorally or morally deficient, but rather as rational actors; cash assistance creates a disincentive to engage in the private economy, serving only to create dependency and enabling the "destitution of the soul". Lawrence Mead (1986) argues that the welfare system is too permissive and does not expect enough out its beneficiaries; the permissiveness allows people to take advantage of the system and poisons their notions of self-sufficiency and citizenship. These conservative theorists tend to think that full exposure to the realities of the economic market is the best cure to a poverty problem that many today see as caused by the welfare system. What is more, Murray and Mead argue that the welfare system contributes to family disintegration by creating incentives for single mothers to remain single or even divorce. Ellwood & Summers (1986) argue that this relationship is minimal at best suggesting that other cultural forces external to the welfare system are more relevant.

¹ Also see Patterson (2000) for discussion on sources of matriarchy.

This cultural/behavioral perspective remains controversial within academic circles, yet the "blaming the victim" mentality seems to retain a significant hold on Americans' perceptions of the causes of poverty and the government's level of responsibility. In a 1994 poll by Times Mirror, 63 percent of respondents stated that welfare spending should be cut (Gilens, 1999). Similarly, a poll taken by the General Social Survey, also in 1994, showed that 71 percent of respondents believed that the number of people on welfare should be cut (Gilens, 1999). These statistics stand in contrast to data that demonstrate higher support for social programs such as education, healthcare, and child care (Gilens, 1999). The durability of the negative perception of "welfare" may be due to its manipulation by politicians as a means to limit the public's position on the degree of government responsibility (Patterson 2000), and consequently public funding for progressive anti-poverty programs. Presumably, a more conservative government would lower funding for social programs, particularly programs that provide assistance to people who should be expected to assist themselves. If one accepts the arguments offered by Murray or Mead, and welfare is indeed part of the problem, then logically, the poverty rate should be positively correlated with the level of government assistance. Moreover, if conservative interpretations retain any validity, then the degree of republican control over the executive and legislative branches should correlate inversely with measures of poverty. These relationships will be tested shortly. In the meantime, I argue that the popular "culture of poverty" argument is mainly a political one. The role of culture as it relates to poverty must be understood in the context of cultural processes or mechanisms.

According to Orlando Patterson (2000), culture in general should be understood as "a repertoire of socially transmitted and intra-generationally generated ideas about how to live and make judgments, both in general terms and in regard to specific domains of life" (p. 208). Furthermore, Patterson argues that these "ideas" about life and living interact dynamically with structural factors and condition behavioral outcomes. Patterson develops a useful abstract model of these relationships and illustrates it using an example from African-American history.²

The relevant question is to what degree can cultural variables (i.e., cultural mechanisms) be quantified in a way that engages the structural forces at play and demonstrates the interactive nature of these perspectives. In this sense, a cultural mechanism refers to the process by which a group of similarly oriented people (either through ethnicity, location, or class) will develop shared behaviors or values based on their common experience of the environment they inhabit. These groups will naturally develop attitudes and behaviors that serve as methods of adaptation, or maladaptation, which are conditioned by the environment (Edgerton 2000). In short, while behavior is an outcome of this integrative process, it is the array of constraints and opportunities that set the environment, and these constraints and opportunities are subject to manipulation through public policy. This paper represents a limited attempt to uncover the relationships between these perspectives as well as to suggest that the interactive process between culture processes, the structural

² Patterson (2000) suggests that the present generation of African-Americans inherited a cultural model that encompasses the cultural traits of pre-slavery West Africans and transmutes those values through the experiences associated with slavery in America and in subsequent eras. See p. 211.

environment, and behavioral outcomes works to sustain poverty among the poor much as it works to sustain affluence among the rich.

Structural Causes of Poverty

Supporters of the "structural" school of thought argue that most poverty can be traced back to structural factors inherent to either the economy and/or to several interrelated institutional environments that serve to favor certain groups over others, generally based on gender, class, or race. Of the various institutional environments that tend to sustain a multitude of economic barriers to different groups, it is discrimination based on race and gender that create the most insidious obstructions. The disproportionately high rate of poverty among women may be viewed as the consequence of a patriarchal society that continues to resist their inclusion in a part of society that has been historically dominated by men, and as a consequence, welfare programs have been designed in ways that stigmatize public support for women as opposed to marital support; both arrangements tend to reinforce patriarchy (Abramovitz, 1996). In this regard, the rise in poverty among women is an important structural level variable to consider, but the lack of reliable data going back to 1947 makes testing difficult.

It is to race that I will turn now, particularly discrimination against Blacks, as a complete data set going back to 1947 is available. Evidence of the economic disparities caused by historical and contemporary racial discrimination against blacks is seen clearly when one views the data on white and black median income. In 1947, the percent of black median income relative to white median income was 51 percent. In 2002, the figure had risen to only 62 percent (U.S. Census, 2002). In 2000, 35.5% of Black single parent families were considered low-income while Blacks represented only 12.1% of the general population in that year (IWPR 2003). Given the over-representation of black Americans among the poor, it stands to reason that closing the gap between black and white median income by working to end racism and discrimination will have positive affects on poverty. Massey and Denton (1993) argue that institutional racism in general, and residential segregation in particular, is a critical structural level cause of the severe poverty in the black community. However, they contend that as segregation took hold, the black communities in the inner cities reacted by creating an "oppositional culture that devalues work, schooling, and marriage and stresses attitudes and behaviors that are antithetical and often hostile to success in the larger economy" (p. 8). Wilson (1987) would tend to agree that an "oppositional culture" exists, but takes the analysis a step beyond segregation, citing "social isolation" as the primary culprit. Wilson argues that historical racism against Black Americans erected contemporary barriers to their economic success; their predicament is compounded by factors uniquely associated with American capitalism and demography. For example, as most White and a few middle class Blacks followed jobs from the cities to the suburbs, the people left behind were relatively uneducated, unskilled and lacked the kind of mainstream role models that would have helped them to transition to the middle class. As a result, they suffered disproportionately from urban unemployment, low wages, unequal distribution of wealth and resources, and relatively poor social and educational services. Wilson argues that the "social isolation" of inner-city and rural

poor populations creates a self-reinforcing and dichotomous situation between the urban poor and the affluent suburban middle class. Specifically, without mainstream role models, the urban poor in general, and inner-city Black populations in particular, develop deviant behaviors and coping mechanisms that are due in part to their isolation, but may also be thought of as a kind of rebellion to mainstream culture.

This view is in part analogous to "spatial mismatch" theory, which generally hypothesizes that the location and relative access to jobs of the disadvantaged group is more operable than race per se. In a comprehensive literature review, Holzer (1990) concludes that "spatial mismatch has a significant effect on Black employment" and is primarily due to the low availability of well-paying jobs in the inner-city; a situation brought on by job decentralization and increasing commute times to distant jobs (p. 118). However, Holzer suggests that the root cause of higher unemployment among inner-city Blacks may not be clearly distinguishable between "...the characteristics of the people who reside in each place as opposed to the problems created by location per se..." (p. 118).

Based on interviews with Chicago areas employers, Kirschenman & Neckerman (1991) demonstrate that preconceived notions based on race, class and even address are often applied to prospective employees. Specifically, the employers' perception of a prospective employee's productivity was often affected by the applicant's race. For example, 37.7 percent of employers ranked Blacks last in relation to other races (p. 210). Clearly, the racial prejudice that underlies this statistic not only emanates from institutional racism, but reinforces it, thus sustaining the barriers that bar Black and other non-White Americans from shedding the arguably idiosyncratic cultural adaptations they have made to survive in a system that has been historically stacked against them. In contrast to the negative perceptions displayed by Kirschenman and Neckerman's employers, DiIulio (1989) points out that there is little research to suggest that the extreme poor have views on work and family that are much different than the general population, but that small sub-groups within the urban underclass do much of the damage to the environment and broader public perception, mainly through criminal activity (p. 32). DiIulio argues that the majority of the poor are hardworking well intentioned people whose potential for positive actions are severely constrained by fear of their surroundings and the social stigma that emanates from it.

Structural economic factors include the level and variation in unemployment, median income, and measures of income inequality. The effects of unemployment and rises in median income are well documented and their relationship to poverty is intuitive. The rate of poverty tracks very closely with median income and in general, rises in median income has positive benefits for all classes, including the poor (Hines, Hoynes & Krueger 2001). Over the last half century, as median income has risen, the rate of poverty has decreased in close correlation (Ellwood & Summers, 1986). This relationship lends credibility to the argument that work is the best mechanism for lifting people out of poverty. Indeed, one of the clearest strategies for fighting poverty should be to focus on ensuring a strong and growing economy. However, for individuals to take full advantage of a strong and changing economy, they need education. Rises in income are positively correlated with educational attainment (US Census). Yet education is not equally accessible by all

members of the population. Since property taxes represent the largest share of local school funding, the quality of education will necessarily vary relative the economic wealth of the locality. Federal and State funding represent smaller shares and are meant to level the playing fields somewhat, but they do not. It is education that allows people to adapt to changes in the economy and by extension changes in the demand for labor. During the latter half of the 20th Century, the American economy shifted from one based on manufacturing to one based on services. The gains in wages and working conditions that were made in the manufacturing sector have been weakened by the service economy. For example, Wal-Mart offers its employees one of the weakest wage/benefits packages of any corporation of its kind and continues to fend off unionization (Ehrenreich, 2001); it is now one the most powerful corporations with a huge market share and monopsony power over its suppliers (Jones, 2003). The gains in US GDP are in part due to the success of a consumer economy that rewards Wal-Mart and its cousin conglomerates, but at what cost to the Americans working low wage/benefit jobs?

A related shift in the American economy involves the growing demand for personnel trained in various high-end and relatively well paid disciplines such as information technology and finance (Holzer 1990, Wilson 1987). In short the service sector has split into two halves, low- income service workers and high- income service workers, with little opportunity in between. Indeed, income inequality is an important indicator in its own right, but is better understood with reference to its own causes, which Gottschalk & Smeeding (1997) argue include the erosion of the "real" minimum wage, the declining influence of unions, and changes in the market demand for skilled labor versus unskilled labor. The Gini index, which measures income inequality, provides quantitative evidence for this divergence. According to the US Census (2003), the Gini index continues its upward trend, which confirms that the rich are in fact getting richer while the poor are getting poorer. Welfare opponents routinely argue that employment is the best cure for poverty, and while higher employment is correlated with lower poverty, the low wage service sector is doing little to help the poor escape poverty; it is, in fact, growing the number of "near poor".

The barriers created by these trends are difficult for the poor to overcome. How is the poor parent supposed to take care of his/her family based on a near minimum wage job with poor and/or expensive health coverage and child care? A publication by the Institute of Women's Policy Research demonstrates that many among the poor rely on several sources of income in order to get by, including government assistance, income from other family members, child support, and job income (Hartmann et al., 2003). These multiple sources of income along with the stresses inherent to the pursuit of each would not be as needed if sufficient employment were available for livable wages and benefits.

Political Factors

Presumably, republicans tend to harbor ideals that favor business over the working class, at least in terms of public policy; a more sophisticated description would be that republicans believe that government interference in the economy ultimately hurts more citizens than it helps by creating inefficient markets and impeding productivity. Historically, republicans have sought to curb domestic spending, particularly social spending, based on

the ideals of individualism, limited government, and Laissez Faire economics. The conservative position that one's poverty is the sole responsibility of the individual and that cash assistance creates dependence by shielding recipients from the market and prevents functional adaptation to market conditions reflects these ideals.

The economic system of capitalism depends upon a labor surplus so that laborers are forced to compete for positions; a situation that fosters a continuous evolution of skills and productivity, but also keeps wages low. The republican position is in some ways a contradiction: welfare is a cause of poverty, yet the current breed of American capitalism depends to some extent on the existence of a lower class. The mediating variable, or perhaps ideal, would seem to be equal opportunity for all citizens, but equal opportunity does not exist for all citizens as the preceding discussions on gender, race, employment trends, income and education suggest. If republican ideals on the benevolence of the free market and the perfectly diffuse presence of equal opportunity are correct, then their policies should be associated with reductions in poverty. However, this analysis will demonstrate that variation in republican power over the last half century is directly related to variation in the rate of poverty.

The Strange Role of Imprisonment in the United States

The rising prison population in this country has received scant attention in relation to the poverty discussion. According to the Bureau of Justice Statistics (BJS), the crime rate began to rise at increasingly larger rates during the 1960s while the United States' prison population remained relatively constant from 1947 until the 1970s. If one were to examine these trends graphically, one might conclude that the rise in prison population after the 1970s was the direct result of the rise in crime. But how does one account for the continued expansion of the prison population while the crime rate has declined sharply over the last ten years? On the surface, the answer would seem to be that criminals, particularly drug related offenders (Irvine and Xu, 2003) were receiving more and longer prison terms, thus removing repeat offenders from the streets. However, research suggests that the correlation between crime and imprisonment is tenuous at best. Jacobs and Helms (2001) concluded that the dramatic increase in imprisonment is not matched by changes in the crime rate. In their comprehensive literature review, Chiricos and Delone (1992) found, "...a direct and substantial labor surplus-punishment link that is independent of the mediating influence of criminal behavior" (p. 429). Wilkins (1991) questions the role of crime in the rate of imprisonment. "The amount of crime is not controlled by the machinery of government - government agencies control only the definition of crime and the style and amount of its punishment" (p.96). Such assessments are not merely the product of a fixed or even variable degree of societal morality. Such categorizations are in part the product of the applicable economic system. Georg Rusche and Otto Kirchheimer (1939) did the first serious work on the connection between labor surplus and imprisonment. Their conclusion, albeit without empirical support, was that punishment in general, and imprisonment in particular evolved along with changing economic systems. Their thesis is clearly based in Marxist thought and fueled half a century of debate over whether or not the United States' rising prison population was part of an effort to institutionalize

the surplus or unemployable population in order to control inflation by keeping unemployment relatively low, as well as a method of controlling the underclass in lieu of increasing economic inequality. In this vein, one might think that rises in prison population would lower official poverty levels. In this analysis, prison population is shown to be relevant, but as a positive correlate to poverty and supports recent work by Irvine and Xu (2003), who conclude that "the introduction of the incarcerated population into poverty measurement increases the intensity of poverty by between 9% and 15% in 1997 over and above the value obtained when the non-incarcerated population alone is considered" (p. 3). Irvine and Xu's conclusion is based on the argument that the incarcerated population should be included in the official poverty estimate as the income and consumption of this subgroup - excluding the cost of incarceration - clearly puts it below the official poverty line. However, this does not explain why variation in the prison population would correlate with poverty among the non-incarcerated population. This raises an important question; to what relative degrees does the increase in the US's prison population reflect responses to crime alone or a more concerted effort to institutionalize the part of the population most likely to need welfare assistance and/or perhaps create social instability as was the case during the urban riots of the sixties and seventies.

Can There Be A Synthesis?

This analysis aims to establish empirically the extent to which these competing perspectives can be shown as interrelated in their impact on poverty. In short, I argue that the explanatory power of cultural variables should be viewed in terms of cultural mechanisms, not in terms of deficient values and behaviors that remain static. Furthermore, the degree to which cultural mechanisms are operable is only relevant within the context of the historical structural factors that condition the environment in which groups of varying economic and social advantage live within.

Cultures are not created in vacuums. The American political culture, which values individualism, liberty and strives for equal opportunity was not created intact and handed to the founding men and women. The success of the Republic is based upon these particular aspects of culture, but these values were forged within larger environmental contexts. Individualism has its roots in Protestantism³, but the vastness and isolation of the American frontier from the 16th through the 19th century provided one of several environmental paradigms for that particular value to flourish into a founding principle of the United States' political and economic systems. More recently, in *Making Democracy Work*, Robert Putnam (1993) demonstrates how cultural factors and institutions interrelate. Putnam argues that divergent cultural factors inherent to the northern and southern regions of Italy led to disparate levels social capital and by extension economic and political success.⁴ Similarly, any theory on the causes of poverty that includes cultural variables must also include the relevant structural contexts.

³ For a discussion of the religious foundations of individualism and capitalism review the still much debated *Protestant Ethic and the Spirit of Capitalism* by Max Weber (1905).

⁴ The concept of "social capital" encapsulates high levels of trust, associational activity and reciprocity, and purportedly leads to higher political participation and institutional performance as well as greater economic success by the reduction of transaction costs. See Robert Putnam's *Making Democracy Work* (1993) or *Trust* by Francis Fukuyama (1995).

In an essay on the microeconomics of cross-national prosperity, Michael Porter (2000) makes the following relevant observation: "The question is not whether culture has a role but how to understand this role in the context of the broader determinants of prosperity (p. 14). What is more, "The way people behave in a society has much to do with the signals and incentives that are created in the economic system in which they live" (p. 23). Porter then makes reference to the common quip that workers in developing nations have a poor work ethic, a claim that Kirschenman & Neckerman (1991) revealed in reference to Chicago employers' view of urban Black workers; but then asks whether or not there is any reward for hard work within the existent system. In an economic system where poor workers or welfare recipients who are raised in a system in which equal access to the tools of success, namely education and other support services, is not assured, near poverty level wages may be the best one perceives as achievable. As individuals become more economically constrained, their perspective on the choices before them will narrow and their behavior will adapt accordingly; thus their children inherit a world view that conditions their own behavior.

Measurement

Aggregated national data for the United States between 1947 and 2002 will be the sole focus of this analysis. Table 1 lists the variables tested in this analysis as well as descriptive statistics.

Table 1 - Variable Names, Definitions and Descriptive Statistics

Name	Definitions	Minimum	Maximum	Mean
Dependent Variable				
Poverty*	Number of poor families per 100,000	2,274	6,498	3,548
Structural/Economic				
Unemployment (i)	Number of unemployed per 100,000	1,145	4,609	2,502
Median Income (i)	National family median income	19,584	52,148	37,675
Black/White Median Income Ratio (i)	Ratio of black family income to white family income	0.51	0.64	0.57
GINI Index (i)	Income inequality	0.35	0.44	0.38
Per Capita Gross Domestic Product (viii)	Per capita gross domestic product	10,374	32,736	20,082
Prison Population (ii) (iii)	Number of pisoners per 100,000 *	93	474	196
Political				
Republican Control Index (vii)	Republican control over executive & legislative branches	0.32	1.49	0.98
Cultural				
Divorce (i) (v)	Number of divorces per 100,000	210	529	373
Crime (ii) (iii)	Number of crimes per 100,000 **	1,150	5,901	3,752
Births to Teenage Mother (v)	Number of live births per 100,000 ***	150	332	257
Federal Payments to Individuals (vi)	Total direct payments to individuals as percent of GDP	0.020	0.100	0.069
Female Poverty (i)	Number of poor families with female head per 100,000	874	2,768	1,511

Notes:

All data series that are standardized for population are based on total US population

Sources:

- i US Bureau of the Cenus
- ii US Bureau of Justice Statistics
- iii Uniform Crime Reports
- iv US Bureau of Labor Statistics
- v Centers for Disease Control
- vi Office of Management and Budget
- vii US House of Representatives and US Senate
- viii US Bureau of Economic Analysis
- * Prisoners per 100,000 reflects prison system only
- ** Property and Violent Crime
- *** Live births to mothers under the age of 19

The dependent variable in this analysis is number of poor families per 100,000 (US population). Wherever possible, data series have been converted to rates per 100,000 to ensure greater comparability. Since the regression analyses will focus on time series data, serial autocorrelation is a risk; to mitigate, all variables were first order differenced⁵; thus the analyses will test all relationships in terms of annual change rather than annual level.

The structural level independent variables tested include prison population, median income, the gap between black median income and white median income, the Gini index, unemployment, and the degree of republican control.⁶ Viewing prison population as a structural level variable may be subject to debate; however, for this analysis, it shall serve as a proxy for shifts in economic and social management that are designed to positively affect economic performance. As noted, the gap in median income between Blacks and Whites will serve as a proxy for institutional racism. Median income, unemployment and the Gini index are well documented correlates with poverty and need to be included to ensure a complete model. On theoretical grounds, the index used to assess the degree of republican control (RCI) may not be operable in terms of annual change. However, the analysis will show that the RCI is valid and significant while the relationship to annual absolute values was not significant. Furthermore, a graphical comparison of the standardized scores for annual change in the RCI and number of families in poverty per one hundred thousand illustrates similar trends over time.

Behavioral/cultural theorists point to various social pathologies that the poor engage in and which cause and reinforce their condition. Among these pathologies are criminal activity, teenage pregnancy (proxy for sexual activity among teenagers), and the rate of divorce, which conservative theorists suggest contributes to a break down of the traditional family. In reference to the teen pregnancy and divorce variables, some conservative theorists allege that the permissiveness of society, particularly regarding sex, has led to a degradation of values among the poor which in turn leads to teen pregnancy and children born out of wedlock, which in turn forces mothers to leave the educational system and work low wage jobs or receive welfare to care for the family (Rodgers, 2000; Tanner, 2003). While Tanner (2003) states that there is considerable empirical support linking increases in welfare spending to out of wedlock births, auxiliary analyses of the data used for this paper suggest that spending on welfare has no significant role in, or correlation with, teen pregnancy.⁷ However, a significant although minimal relationship was established with divorce as the dependent variable.⁸ If the "culture of poverty" theory retains

⁵ Durbin-Watson statistic equaled 1.913 on model five where variables were first order differenced indicating that serial autocorrelation was largely mitigated.

⁶ The degree of Republican control at the national level was assessed in several ways. A dummy code of 1 was assigned to the presence of a Republican President, while the percent of republican control of the US Congress was assessed separately. Additionally, an index was created that simultaneously assessed the relative strength of the Republican Party as exhibited through the Presidency and Congress. A technique borrowed from Bretschneider and Gorr (1992) was employed in the following manner. The dummy code of 1 for the Republican President was added to the percent of Republican control of Congress. If the score was greater than 1.5, then it was subtracted from 3.0. If the score was below 1.5, then it was coded in present form.

⁷ Independent time series regression assessing relationship between total federal direct payments to individuals and birth to teenage mothers was insignificant.

⁸ Independent analysis of relationship between total federal direct payments to individuals and divorce was significant at $p < .05$. Adjusted R-squared = .097

any validity, then these variables should also correlate with fluctuations in the rate of poverty. If the hypothesis of this paper retains any validity, then one or more of the "cultural" variables should show correlation as part of a larger structural model.

Total direct payments to individuals by the federal government may be viewed as either a proxy for welfare dependence. Theoretically, if federal welfare spending is meant to curb poverty, then there should be an inverse relationship between associated spending and rates of poverty. In accordance with conservative viewpoints about the negative affects of welfare spending on the poor (Mead, 1986; Murray, 1984; Niskanen, 1996), a positive correlation might signify that welfare spending programs in fact contribute to poverty by creating dependence or an incentive to disengage from the private economy. Along these lines, the welfare system has harmed the impetus and motivation for self-sufficiency and economic growth by allowing able-bodied/minded adults to be taken care of. Moreover, the welfare system also created a financial disincentive for marriage, which was compounded by the feminist revolution of the latter half-century; purportedly these intermingling trends have contributed to the break-up of the American family and the increase in single parents; single parents representing a demographic more susceptible to economic hardship. Taken together these variables create a useable construct of what conservative theorists think about the causes of modern poverty in America.

Results

Table 2 presents five tested models. Model I tested the correlation between annual change in the "culture" variables alone with the annual rate of change in the number of poor families per one-hundred thousand. Only annual changes in divorce and total direct payments to individuals (as a percent of GDP) were found to be significant. Criminal activity and births to teen mothers were both found to be insignificant in all cases regardless if they were tested independently or in conjunction with other independent variables. The results seem to confirm that the increasing rate of divorce, which leads to more single mother households, may be contributing to poverty in general. However, when change in divorce was tested independently in relation to change in poverty, the relationship was not significant. Change in divorce only attained validity within these models when welfare spending is included. Model II reduces the cultural variables to just divorce and welfare spending and the explanatory power of the model increases, though marginally as seen in the adjusted R-squared statistic. These initial results seem to lend support to the conservative arguments (Mean, 1984; Murray 1986) that argue the welfare system may be creating dependency and/or creating disincentives to engage in the private economy, and perhaps contributing to the persistence of poverty. As a corollary, the rate of divorce appears to be operable only when mediated through the variable of total welfare spending. This may indicate that the welfare system is creating incentives for divorce or to remain single.

In Model III, all independent variables were found to significant except per capita gross domestic product (PCGDP) and the ratio of black family median income to white family median income. While the general strength of the economy is indicated through PCGDP, it is strongly correlated with median income; though median income is the better indicator of economic strength and average wealth relative to poverty. Thus, the loss of PCGDP

Table 2 - The Influence of Changes in Cultural, Economic and Political Factors on Changes in Poverty

Change in...	Model 1	Model 2	Model 3	Model 4	Model 5
Dependent Variable Poverty					
Intercept	-97.538	-87.879	-97.197	-70.901	-70.646
Structural/Economic					
Unemployment			.437 (***)	.346 (***)	.309 (***)
Median Income			-.453 (***)	-.394 (***)	-.373 (***)
Black/White Income Ratio			-.023	-.015	
GINI Index			-.309 (***)	.318 (***)	.318 (***)
Per Capita Gross Domestic Product			.223		
Prison Population			.152 (*)	.204 (**)	.192 (**)
Political					
Republican Control Index			.189 (*)	.161 (*)	.175 (**)
Cultural					
Divorce	-.274 (*)	-.249 (*)		.096	
Crime	.058			-.015	
Births to Teenage Mothers	-.121			-.055	
Federal Payments to Individuals	.486 (***)	.515 (***)		-.093	
R statistic	.254	.240	.751	.749	.739
Adjusted R	.194	.211	.714	.692	.712

Notes:

Data series: 1947-2002

Dependent variable is the annual change in number of poor families per 100,000

All independent variables are based on annual change

All coefficients are standardized

*** statistically significant, $p < 0.01$

** statistically significant, $p < 0.05$

* statistically significant, $p < 0.10$

was expected, but should be taken to mean that the relative strength of the economy has no affect on poverty. Given the data series used to measure racism, it is not surprising that no relationship could be found between the ratio of black median income to white median income. As noted earlier, there has been a mere eleven point rise in this racial inequality indicator over the last fifty years. Based on this statistic alone and the greater incidence of poverty among Blacks is sufficient to conclude that the income disparity between these two groups plays an important role in poverty in general, as well as Black poverty in particular. That annual change in this variable fails to interact with both change in poverty and the other independent variables should not be taken to mean that the historical racism which led to this disparity is not a fundamental cause of poverty. With more research, a useable variable should be constructed that is relevant to poverty and operable within an aggregated time series model. The significance of the remaining structural level variables will be discussed in reference to Model V.

Model IV takes the structural/political variables as a group and tests their significance in relation to poverty. All structural/political variables are found to be significant except

the ratio of Black to White median income and PCGDP. All of the remaining structural and political independent variables were found to significant ($p < .05$). None of the so called "cultural" variables significantly impacted poverty either independently or in conjunction with the various structural/political variables. The relationships demonstrated between welfare spending, divorce, and poverty under Model II have vanished.

Model V incorporates only the significant structural/political variables. Based on this model, annual change in prison population, the Gini index, unemployment, median income, and the degree republican control explain approximately 71% of the variation in poverty over the last half century. As expected, median income demonstrates the highest relative impact on poverty confirming to some degree John F. Kennedy's adage that a "rising tide lifts all boats" (Hines et al., 2001). Of the structural/political variables included in this model, median income is the only variable that has a positive affect on poverty. As we shall see, the remaining variables either cause or are correlated with increases in poverty. The Gini index illustrates an effect similar in relevance to median income. As incomes in this country become more unequal, due to the erosion of the real minimum wage, the growing disparity in the demand for high end versus low end labor, and the decreasing influence of unions, the middle and poorer classes continue to grow in population, but end up competing for a smaller share of national wealth. The role of unemployment is not surprising and its confirmation here as an important structural determinant of general poverty needs little further explanation.

Of somewhat greater interest are the relationships between the annual change in poverty and the degree of republican control, as well as the fluctuations in the nation's prison population. One of the hypotheses of this paper is that increases in conservative power should correlate directly with poverty since it is the historical position of conservatives that government should interfere as little as possible in the affairs of the economy or its citizens. In a society of greater equality of opportunity and fewer structural barriers to socio-economic movement (i.e., income inequality, racism, disparities in the funding and quality of local education), the republican position on self-sufficiency and the importance of facing the market economy would seem more rational and more ideologically sound. Between 1965 and 1996, no republican administration or congress was able to make significant changes or reductions to AFDC; however, other social programs were reduced or eliminated during the Nixon and Reagan/Bush years. It is possible that the degree to which support programs were reduced or eliminated during these periods caused negative impacts on the level of poverty. Even if one accepts that cash assistance may not reduce poverty, one may conclude that the support programs (e.g., education and training, health-care, child care, transportation - all of which address structural level constraints) are more valuable weapons for combating poverty.

Interestingly, when the political variable is reversed to account for the degree of democratic control, there is a slight overall strengthening of Model V, as well as a reversal in the b-coefficient to a negative number and a slight, but significant deepening in the affect. While the roles may be small, it seems clear from this analysis that higher political power for democrats decreases the incidence of poverty; the converse relationship is at work in terms of republican power.

The relationship between poverty and prison population is more difficult to assess. On the surface, it seems apparent that annual change in the incarceration rate over time is having an affect on poverty, in conjunction with the other structural/political variables, which is independent from annual change in the crime rate. As noted earlier, a society does not directly control crime, but it does control the definition of punishment and its severity and these definitions are subject to influence from economic and political spheres in addition to public morality (Wilkins, 1991). Separate analysis demonstrates that the rise in the prison population is also correlated with the Gini index. I would hypothesize that the interrelationship between income inequality and the prison population and their combined correlation with poverty reflects the growing chasm in the demand for labor brought on by a rapidly changing economy. As previously discussed, there is a growing demand for high skilled labor and a growing demand for low skilled labor. The wages and benefits associated with low skill labor are typically not sufficient to live at a standard much above the poverty line. Given the drop in the crime rate over the last two decades, it is apparent that low low-income individuals are not committing more crimes to offset the erosion of decent work and livable wages, but as a society we are nonetheless incarcerating more of them. Why is this so? Is it possible that we are incarcerating more people in order to artificially offset the poverty problem in this county? Or perhaps as the skills gap and income inequality have widened and the inner-cities remained in destitution, the rising incarceration rate has been the lid on Pandora's Box; thus mitigating a possible return to the urban riots of the sixties and seventies. Finally, and perhaps more practically, the higher incarceration rate deprives families of income earners. The possible answers to these questions are beyond the scope of this paper, but they would seem to be fertile ground for further research.

Conclusion

While measurement issues remain, including the applicability of a national level analysis to various regions and cities each with potentially differentiated forms and causes of poverty, the final Model V of this analysis provides a useful framework for understanding the general causes of poverty at the national level. Contrary to the hypothesis of the paper, the cultural variables employed could not be integrated with the structural/political variables into a larger model that demonstrated the dynamic interrelation between the structural environment, cultural processes, and behavioral outcomes as theorized by Orlando Patterson (2000). Admittedly, there may be some difficulty in using aggregate behavioral variables to assess the degree to which cultural mechanisms may be at work. However, this should not discourage further research into generating models that do integrate the various dynamics. In this analysis, the strength of the structural variables seemed to overwhelm the role of behavior/culture variables, but this should only serve to instruct us to search for better variables that capture the cultural dynamics and behavioral outcomes in a ways that engage the structural variables. Perhaps an index could be generated at the sub-national level or for particular geographic regions (i.e., inner cities) that could quantify the transmission of particular generalized worldviews, and which would demonstrate the level of interaction with the structural barriers of inequality and racism and the related

economic hurdles associated with changes in demand for labor and wage/benefit erosion.

Returning to anthropology for a moment, Edgerton (2000) cites work by anthropologist Walter Goldschmidt who studied the Sebei of Uganda. Goldschmidt concluded that the primary cause of what he referred to as a general "disequilibria and maladaptation" of the Sebei's society could be traced to "changing socioeconomic circumstances" (Edgerton, 2000, pp. 129). Through this lens we might gain some insight into how the rapidly changing American economy and growing economic inequality is causing certain segments of the population to be left behind. Since the political will does not seem to exist to ensure that equal opportunity begins with a level playing field, then I fear the US's poverty problem will get worse and not better in the near future.

References

- Abramovitz, M. (1996). *Regulating the Lives of Women: Social Welfare Policy from Colonial Times to the Present*. Boston, MA: South End Press.
- Bretschneider, S. & Gorr W. (1992). Economic, organizational and political influences on biases in state revenue forecasting. *Journal of International Forecasting*, 7: 457-66.
- Chiricos, T.G. & Delone, M.A. (1992). Labor Surplus and Punishment: A Review and Assessment of Theory and Evidence. *Social Problems* 39 (4): 421-435.
- DeWeever, A.J., Peterson, J. & Song, X. (2003). *Before & After Welfare Reform: The Work and Well-Being of Low-Income Single Parent Families*. Institute for Women's Policy Research. Washington, DC: Institute for Women's Policy Research.
- Dilulio, J.J. (1989). Impact of Inner City Crime. *The Public Interest*, 96 (2): 28-46.
- Edgerton, R.B. (2000). Traditional Beliefs and Practices - Are Some Better than Others? In L.E. Harrison and S.P. Huntington (Eds.). *Culture Matters*. (pp. 126-140).
- Ehrenreich B. (2001). *Nickel and Dimed: On Not Getting By in America*. New York: Henry Holt & Company.
- Ellwood, D.T., & Summers, L.H. (1986). Poverty in America: Is Welfare the Answer or the Problem? In S.H. Danziger and D.H. Weinburg (Eds.). *Fighting Poverty: What Works and What Doesn't*. (pp. 78-105). Cambridge, MA: Harvard University Press.
- Gilens, M. (1999). *Why Americans Hate Welfare: Race, Media and the Politics of Anti-Poverty Policy*. Chicago, IL: The University of Chicago Press.
- Glazer, N. (2000). Disaggregating Culture. In L.E. Harrison and S.P. Huntington (Eds.). *Culture Matters*. (pp. 219-230).
- Gottschalk, P. & Smeeding, T. (1997). Cross-National Comparisons of Earnings and Income Inequality. *Journal of Economic Literature*, 35(2): 633-687.
- Hartman, H., Spalter-Roth, R., Sills, M. & Yi, M. (2003). *Survival at the Bottom: The Income Packages of Low-Income Families with Children*. Washington D.C.: Institute for Women's Policy Research.
- Hines, J.R., Hoynes, H. & Krueger, A.B. (2001). Another Look at Whether a Rising Tide Lifts All Boats. Prepared for the Russell Sage-Century Foundation. Retrieved December 4, 2003 from the World Wide Web: <http://www.econ.ucdavis.edu/faculty/hoynes/publications/hhk-final.pdf>
- Holzer, H. J. (1991). The Spatial Mismatch Hypothesis: What Has the Evidence Shown? *Urban Studies*, 28(1): 105-122.
- Irvine, I. & Xu, K. (2003). Crime Punishment and the Measurement of Poverty in the United States, 1979-1997. Working Paper.
- Jones, R. (2003). *Wal-Mart Takes on the World*. MSNBC online. Retrieved November 18, 2003 from the World Wide Web: <http://msnbc.msn.com/id/3540911/>.
- Kirschenman, J., & Neckerman, K.M. (1991) "We'd Love to Hire Them, But...": The Meaning of Race for Employers. In C. Jenks and P.E. Peterson. (Eds.). *The Urban Underclass*. (pp. 203- 231) Washington, DC: The Brookings Institution.

- Lewis, O. (1970). *Anthropological Essays*. New York: Random House.
- Massey, D.S., & Denton, N.A. (1993). *American Apartheid: Segregation and the Making of the Underclass*. Cambridge, MA: Harvard University Press.
- Mead, L.M. (1986). *Beyond Entitlement: The Social Obligations of Citizenship*. New York, NY: Free Press.
- Moynihan, D.P. (1965). *Negro Family: The Case for National Action*. Washington, D.C.: Office of Policy Planning and Research, U.S. Department of Labor.
- Murray, C. (1984). *Losing Ground: American Social Policy 1950-1980*. New York, NY: Basic Books.
- Niskanen, W.A. (1996). Welfare and the Culture of Poverty. *The Cato Journal* 16(1): Retrieved November 15, 2003 from the World Wide Web: <http://www.cato.org>.
- Patterson, J.T. (2000). *America's Struggle Against Poverty in the Twentieth Century*. Cambridge, MA: Harvard University Press.
- Patterson, O. (2000). Taking Culture Seriously: A Framework and Afro-American Illustration. In L.E. Harrison and S.P. Huntington (Eds.). *Culture Matters*. (pp. 202-218).
- Office of Management and Budget. (2003). Historical Tables, Budget of the United States Government: Fiscal Year 2004. Retrieved November 15, 2003 from the World Wide Web: <http://www.whitehouse.gov/omb/budget/fy2004/pdf/hist.pdf>
- Putnam, R.D. (1993) *Making Democracy Work*. New Jersey: Princeton University Press.
- Rodgers, H.R. (2000). *American Poverty in a New Era of Reform*. New York: M.E. Sharpe.
- Rusche, G. & Kirchheimer O. (1939). *Punishment and Social Structure*. New York: Russell & Russell.
- Tanner, M. (2003). Welfare Reform: Less Than Meets the Eye. Cato Policy Analysis No. 473. Cato Institute. Retrieved December 5, 2003 from the World Wide Web: <http://www.cato.org>.
- U.S. Bureau of the Census. (2003). Gini Ratios for Households. Retrieved October 13, 2003 from the World Wide Web: <http://www.census.gov/hhes/income/histinc/h04.html>.
- U.S. Bureau of the Census. (2003). Historical Income Tables - Families. Retrieved October 12, 2003 from the World Wide Web: <http://www.census.gov/hhes/income/histinc/f23.html>.
- U.S. Bureau of the Census. (2003). Historical National Population Estimates. Retrieved October 5, 2003 from the World Wide Web: <http://eire.census.gov/popest/archives/pre1980/popclockest.txt>.
- U.S. Bureau of the Census. (2003). Poverty in the United States. Retrieved October 5, 2003 from the World Wide Web: <http://www.census.gov/prod/2002pubs/p60-219.pdf>.
- U.S. Bureau of Labor Statistics. (2003). Employment Status of the Civilian Non-institutional Population: 1939 to Date. Retrieved October 12, 2003 from the World Wide Web: <http://www.bls.gov/cps/cpsaat1.pdf>
- U.S. Bureau of Justice Statistics. (2002). Sourcebook of Criminal Justice Statistics - 1999. Washington DC: U.S. Government Printing Office.
- U.S. Bureau of Justice Statistics. (2002). Sourcebook of Criminal Justice Statistics - 1999. Washington DC: U.S. Government Printing Office.
- U.S. Centers for Disease Control (2003). National Vital Statistics Reports - 2002. Retrieved November 6, 2003 from the World Wide Web: <http://www.cdc.gov/nchs/>
- U.S. Department of Justice. (2000). United States Total Index Offenses: 1960-2001. Retrieved October 15, 2002 from the World Wide Web: <http://149.101.22.40/dataonline/Search/Crime/State/RunCrimeTrendsInOneVar.cfm>.
- U.S. Department of Justice (1980). Uniform Crime Reports for the United States. Washington DC: U.S. Government Printing Office.
- U.S. Department of Justice (1959). Uniform Crime Reports for the United States. Washington DC: U.S. Government Printing Office.
- U.S. Department of Justice (1958). Uniform Crime Reports for the United States. Washington DC: U.S. Government Printing Office.
- Weber, M. (1905, 2002). *The Protestant Ethic and the "Spirit" of Capitalism*. New York: Penguin Books.
- Wilkins, L.T. (1991). *Punishment, Crime and Market Forces*. Aldershot: Dartmouth Publishing Company.
- Wilson, J.Q. (1987). *The Truly Disadvantaged: The Inner City, the Underclass, and Public Policy*. Chicago, IL: Chicago University Press.