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### Race and Poverty

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## Race and Poverty

### Abstract

With the right solutions and enough hard work, there is a chance that inner cities can become revitalized. It cannot happen overnight, but if the government and the people cooperate—it will happen.

The reality of poverty hit me very hard when I witnessed inner-city conditions in Chicago as part of a freshman seminar course on "Race and Poverty" that I took last semester at Illinois Wesleyan University. Looking at all the decay and deterioration it is easy to understand how most of us pass by these areas and are unable to see past the rubble. We don't see that what is now the empty shell of a building was once, perhaps, the dream of a young entrepreneur.

This environment also limits the viewpoints of those who live in poverty plagued areas. They often are unable to see much hope for themselves in terms of escaping their impoverished neighborhoods.

When one is surrounded by ruin and hopelessness, it becomes difficult to see much else.

## **Race and Poverty**

by

**Tim Culbertson**

The inner city has suffered in the second half of the 20th century. Business has moved out, crime has proliferated, and the only people left in the inner city are the poor.

The debate over the causes of and solutions for inner-city problems are a leading topic in domestic policy discussions. Theories about the cause of inner-city poverty tend to belong to two schools of thought.

The structuralist theory argues that poverty is a result of the system—the poor underclass has no responsibility for their own poverty. For example, blacks who formerly lived in areas now considered ghettos had middle class incomes so they were able to own and maintain homes. When middle class blacks began migrating to the suburbs, they sold their homes to others who were not as well off. These new homeowners were affluent enough to own homes, but did not have enough disposable income to provide for proper upkeep of their homes and neighborhoods, which began to deteriorate.

The neoclassical school, on the other hand, criticizes welfare and other government aid for the poor, arguing that such social programs are undesirable since they tend to undermine the incentive of recipients to work and save money. Under most benefit programs, recipients are penalized for earning additional income. For example, a welfare family might have benefits removed on a dollar-for-dollar basis if the head of household earns additional income. There is really no incentive for working if the same amount of money can be gained without getting a job.

While the welfare system does encourage freeloading, it also is true that there are few work opportunities in the inner city. As inner cities decayed, there has been a lack of capital for reinvestment. There is simply no interest in rebuilding the inner city—money moves to the suburbs and never seems to come back. Jobs follow the money. Most jobs remaining in the city are held

by suburban commuters. Institutions with money are not willing to reinvest in an environment of decay, even though it is their very lack of reinvestment that promotes the decay. Therefore, the remaining jobs are difficult to find and are low paying.

However, there are some solutions designed to bring the inner city out of decay and back to life. Most importantly, the people of the inner city and underclass must be willing to get involved.

In downtown Chicago, for example, housing projects are being planned where residents would not be exclusively low-income families. This mix of residents provides a source of disposable income to provide for upkeep. Integrating different economic classes can also provide more positive role models, which are badly needed in an environment rich with crime, poverty, and failure. Other cities have instituted pilot programs where police move into public housing complexes to provide a deterrent on crime.

The welfare system is in dire need of reform. There is no excuse for a system which effectively taxes outside income at ridiculous levels—in some cases 100 percent, for the people it claims to help. It encourages and even requires families to spend their periodic allotments; those who save some each month are penalized or prosecuted for fraud because they tried to help themselves. The system encourages cheating, it discourages initiative, and it tends to degrade those who are on the dole.

Instead, the welfare system should be simple and direct— it should keep people on their feet in hard times, rather than keeping them hovering below the poverty line indefinitely. The money saved could be better spent in areas such as education as a hedge against poverty in future generations.

There also is hope with regard to reinvestment in the inner cities. With the return of the middle class, there will be more demand for rebuilding urban areas as more consumers with disposable income appear. This could lead to revitalization of cities. The presence of active business would increase employment opportunities and hopefully reduce the grip of poverty on the underclass.

With the right solutions and enough hard work, there is a chance that inner cities can become revitalized. It cannot happen overnight, but if the government and the people cooperate—it will happen.

## **Reflections After a Trip To Chicago**

by  
Dan Hobbs

I grew up in a town of about 2,000 people. My parents decided to settle in western Nebraska, where my mother spent her childhood.

I went to very small schools, where the entire enrollment was a mere fraction of many schools' graduating classes. No one could really choose which school to attend, since there was only