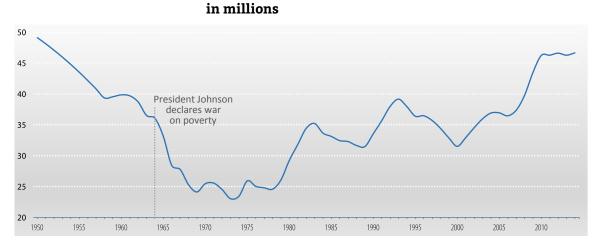
In his January 1964 State of the Union address, President Lyndon Johnson proclaimed, "This administration today, here and now, declares unconditional war on poverty in America."

In the first few years of the War on Poverty, both the number of Americans and the percentage of our population living in poverty decreased dramatically.

Number of people living in poverty



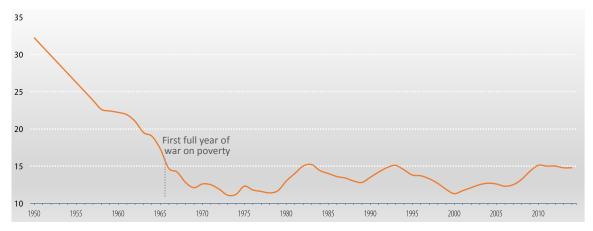
In large part, the decrease simply followed the trend of the past 15 years. In 1950, the poverty rate was 32.2%.

By 1965, the first year during which any War on Poverty Programs began to operate, the rate had been cut nearly in half to 17.3%.

In the nearly 50 years since the first full year of the War on Poverty, the percentage of Americans living in poverty has barely budged.

In 2014, the official poverty rate was 14.8% - it was 14.7% in 1966.

Percentage of Americans living in poverty

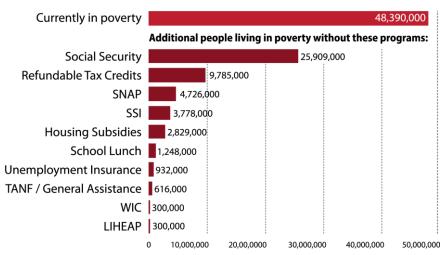


President Johnson declared that his war would strike "at the causes, not just the consequences of poverty." He added, "Our aim is not only to relieve the symptom of poverty, but to cure it and, above all, to prevent it."

Unfortunately, we have not done much to relieve the symptoms. We'll explore that more in our blog on wages and income inequality.

Using the Supplemental Poverty Measure, we can evaluate how government assistance lifts people out of poverty.

Without government safety-net programs, millions more would be in poverty.



Refundable Tax Credits refers to the Earned Income Tax Credit: currently \$5,540 for a single mother with two children; SNAP refers to the Supplemental Nutrition Assistance Program (what was formerly known as Food Stamps); SSI refers to Supplemental Security Income (disability); TANF refers to Temporary Aid to Needy Families (formerly "welfare"); WIC refers to the Special Supplemental Program for Women, Children, and Infants; and LIHEAP refers to Low Income Home Energy Assistance Program.

Source: The Supplemental Poverty Measure: 2014 U.S. Census Bureau: September, 2015

To many, this will fly in the face of President Johnson's commitment to relieve the symptoms; to cure and prevent poverty.

Some will say that we have to reign in government spending...cut or even eliminate entitlements like social security, medicare, food stamps.

Others will say that the poor (and for many, who used to enjoy a middle class existence) simply need to get jobs or work more hours...

The fact is, they already are!

Here is the ironic fact:

73% of enrollees in America's major public support programs are members of working families¹

American taxpayers bears a significant portion of the hidden costs of low-wage work in America.

Stagnating wages and decreased benefits are a problem not only for low-wage workers who increasingly cannot make ends meet, but also for the federal government as well as the 50 state governments that finance the public assistance programs many of these workers and their families rely upon to make ends meet.

According to the University of California Labor Center, *poverty-level wages cost U.S. taxpayers* \$152.8 billion each year in public support for working families...those who are working for some of the largest and most well recognized food service and retail companies in America.

READ THE REPORT →

take the next step

¹UC Berkeley Labor Center: The High Public Cost of Low Wages; http://laborcenter.berkeley.edu/the-high-public-cost-of-low-wages/

Take the Next Step is a grass roots, faith based, 501(c)(3) organization. Our mission is to...

Offer Friendship, Help, and Hope to our neighbors in need. We do that in many different ways:

Community Resource Drop-In Center · Community Dinners · Kidz Club after school program

Life Skills Classes · Growing Together teen and young mom's group · Homeless Youth · and more

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