Ending Poverty: 
The Great Moral Issue of Our Time

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I. INTRODUCTION

This is an important moment in time for our country. The focus of this Essay will be on poverty. But we cannot address an issue like poverty without answering a few basic questions—questions we ought to be asking ourselves and answers we ought to be demanding from our leaders about how we as a nation are going to confront the very real and very major challenges we face, including the great moral challenge of poverty.

First, what kind of leadership should America be providing in the world? We live in a moment of dramatic change and huge global challenges. Our military power is fortunately strong, and we must keep it that way. But our economic power will be challenged by new forces, and our most important asset, our international moral authority, is not what it ought to be—far from it. What kind of leadership can address all these fronts and serve us at home as well?

Second, what kind of America do we want—not just today, but twenty years from now—and how do we think we can get there from here? The founders of this country created the country we have today because they dreamed large. They knew there were obstacles, but those obstacles did not mean that they decided a less perfect union would be a good compromise. We will never get what we do not reach for. So now and in the decades to come, for what should we reach?

Last, on a more partisan note, what and for whom do we want our Democratic Party to stand for and fight for?

Those are the questions. I would like to start with direct answers to these questions.

First, on America’s leadership role in the world, we need to restore the moral core and legitimacy that have been the foundation of our influence. It is

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no secret that America's credibility has been tarnished during the past six years and that in too many places, even among our best friends, the very idea of American leadership seems like a contradiction. Poll after poll shows this, but it is not some abstract thing: during the past few years, I have felt this firsthand, from Europe to the Middle East to India and Russia. Reversing this is one of our most important challenges.

I want to live in an America that is once again looked up to and respected around the world, an America that is an inspiration to common people everywhere who want to make their lives better. That means working to restore our legitimacy by strengthening international institutions or creating new ones; it means leading on the great challenges before us, whether it's by preventing the proliferation of weapons of mass destruction, ending the genocide in Darfur, or fighting extreme poverty and diseases that ravage societies. It also means a plan to substantially reduce our presence in Iraq, by at least 40,000 troops immediately, and to continue that reduction so that the Iraqis can take control over their own lives. As we do so, we should call upon the other countries in the region who have expressed an interest in securing the stability of Iraq to step forward. Restoring our credibility and legitimacy is absolutely essential if we are to defeat global jihadists.

How we work to improve our country and lift people up is also critical to restoring American leadership in the world. For decades, many drew inspiration from us, admiring how we worked every day to make our country a better place. The whole world is watching. Just as we fight poverty here at home, we must show more leadership in ending extreme poverty around the globe. It is wrong that close to half the world’s population—more than 3 billion people—live on less than $2.00 a day. And it is a disgrace that millions of people suffer and die from diseases that are preventable. For example, a $5.00 mosquito net could save a family from malaria; a few cents could vaccinate a child; and a $4.00 dose of medicine could help prevent a mother from transmitting AIDS to her newborn at childbirth. If we are to rebuild America’s moral leadership, we


must do better at home and abroad.

Second, on the America we want to achieve in the next twenty years, I do not think the picture is hard to draw. It is an America where we are well on our way to ending poverty. It is an America where every American has health care coverage—not access to health insurance or other wiggle-word ways we try to describe something less than health coverage for every American. It is time. It is an America where businesses and working people thrive in a competitive and fair international marketplace. It is an America where everyone can join the middle class and everyone can build a better future than their parents had.

I want to live in an America free from dependence on fossil fuels, where our environmental policies reflect our pride in the blessings of a beautiful and abundant country and our commitment to preserve that country for our farmers, our fishermen, and our children; sacrifice, conservation, and innovation will be required. I want to live in an America that has not sacrificed individual liberties in the name of freedom, where in the fight to preserve the country we love we do not sacrifice the country we love, where we do not make excuses for violating civil rights, as we understand the test of liberty is in the moments when such excuses almost sound reasonable. I want to live in an America where we value work as well as wealth, because we understand that we are only strong because our people work hard; that we are made strong by our longshoremen and autoworkers, our computer programmers and janitors; and disrespect to any of them is disrespect to the values that allowed for America’s greatness in the first place. I want to live in an America where the difference between our best schools and our worst schools cannot be measured by Newsweek, where those who can teach are encouraged and rewarded and where the world of learning is opened to every child. In this Essay, I will focus on the first of these goals, an America without poverty, but in other forums, I have addressed and will address each of these issues, that will make such a difference to the country we can be in twenty years.

Finally, on the Democratic Party, we should also recognize that our political parties—and what they stand for—are critical in shaping our country’s future. I believe in a Democratic Party of big ideas, with the courage and backbone to translate those ideas into workable policies. I believe in a Democratic Party that fights for those who have no voice: the forgotten middle class, the poor, those who have labored a lifetime, and all those who speak the truth against overwhelming public opinion. And I believe in a Party willing to take stances that are right, whether or not they are popular. This is the tradition of America, fighting for what is right regardless of the odds, regardless of the power of those on the other side. It is what the Democratic Party I believe in is all about. We do not have to posture or to accept mediocrity or compromise our

values. We can decide to be great, we can address great problems, we can see great possibilities.

I do not believe in a Party obsessed with incrementalism, half-measures, and positions based on yesterday’s polls. If we want to lead—and in these times we desperately need to lead in another direction—we have to represent something greater than our own self-promotion. We have to believe that our country is more important than ourselves. These times are critical, so let me be clear: in this battle for the soul of our Party, no less than the future of America and the future of the world are at stake.

As Democrats, we need to speak to these issues with specifics on how America should address them. As Democrats, we need to make clear that hard challenges do not frighten us, but call us to action. To me, there is no better opportunity to make this clear than the enormous challenge of helping 37 million Americans who live in poverty. How we respond to the fact that millions among us live in poverty says everything about the character of America.

II. POVERTY AS THE GREAT MORAL ISSUE OF OUR TIME

I have served as director of the Center on Poverty, Work and Opportunity at the University of North Carolina at Chapel Hill. The Center is a place where we have brought together the best minds in the country to discuss—and challenge—the latest ideas about how to fight poverty. In our first years, we have held several national forums, asked all the tough questions, and scoured the country to find the most innovative solutions being implemented now.

When I talked about poverty in the 2004 campaign, political types said it was futile. They said nobody cares about poverty except for the poor. Not true, and we saw it with Katrina.

I long have talked about the “Two Americas”: one for those families who have everything they need and then one for everybody else. Katrina showed us the Two Americas. Those images of men and women at the Superdome without food, water, or hope—simply because they did not have a car or the cash to escape—are something the American people will never forget. These people have become the face of poverty in America—a symbol of the poor and forgotten families that live in big cities like New Orleans and in small towns and rural America too.

But if Katrina showed us the Two Americas, it also showed us something else. It showed us the American people want to live in one America. In the months after the hurricane, millions opened their hearts, their homes, and their

wallets to this cause. It is clear the American people want to do the right thing on poverty, but it is also clear there are a couple things holding us back. Many of our families are struggling too much themselves to focus on those in need, while others do not want to repeat the failures of the past and throw money at a problem with the hope that it will magically disappear.

These are very real concerns, but they are issues we can overcome, if our ideas about alleviating poverty are based on the values that made our country great—that we expect people who are capable of working to work, expect them to be responsible, and expect them to make smart choices. We also must make it clear that ending poverty is not something we are doing just for others but something we do for all of us. Maybe you have heard the phrase “It’s expensive to be poor”; well, it is also expensive for America to have so many poor.

We all pay a price when young people who could someday find the cure for AIDS or design a fuel cell don’t even enter in the workforce in the first place because they did not get the education they need. We all pay a price when our people turn to crime because they have no other hope. And we all pay a price when the American Dream no longer seems American.

We need to restore the dream that is America, but we also need to do it in a way that all Americans will be proud of. Not just by giving handouts to the poor or pumping money into a broken government program, but by finding ways to help everyone who works hard and makes smart choices get ahead.

If we are going to be the America we believe in, we cannot look the other way. It is wrong that we have 37 million Americans living in poverty, separated from the opportunities of this country by their income, their housing, and their access to education and jobs and health care, just as it was wrong that we once lived in a country legally segregated by race. Too many places today are segregated by class. Poverty, then, is the great moral issue of our time, and we all have an obligation to do something about it—not just alleviate some of the symptoms, not just find ways to help some of the people, but end it.

III. SETTING A NATIONAL GOAL OF ELIMINATING POVERTY IN THE NEXT THIRTY YEARS

America has fought poverty before. Past efforts like Social Security, Medicaid, welfare reform, and the Earned Income Tax Credit have made a real difference. But poverty is still with us. Any effort to address it must face up to the reasons that past efforts have fallen short and to the new challenges that have arisen.

First, work does not pay enough. A single mother with one child who works

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full-time for minimum wage is about $2700 below the poverty line.\textsuperscript{8} In 2005, while corporate profits were up about 13\%,\textsuperscript{9} real wages fell for most workers.\textsuperscript{10}

Second, in too many poor communities marriage is too rare, and male responsibility is not what it should be. Welfare reform has helped reduce poverty rates among single mothers,\textsuperscript{11} but too many young men remain cut off from the hopes and routines of ordinary American life.

Third, the debate over poverty policies is stuck in the old days. One side is driven by guilt and the other by a deep skepticism of what government can accomplish. In reality, we need both the courage and the confidence to take a new course. And both sides should recognize that our whole economic future depends on making upward mobility universal.

For all these reasons, I propose that we set a national goal of eliminating poverty in the next thirty years. It is an ambitious goal, but it is one we will meet by building the America our founders imagined—an America where if you work hard, take personal responsibility, and do the right thing, you will not live in poverty and will not just get by, but instead will get ahead.

I propose a great national goal, because Americans believe in achieving great things. Like President Kennedy challenging America to land a man on the moon, setting a national goal of eradicating poverty will sharpen our focus, marshal our resources, and at the end of the day, bring out our best. Besides, we need a goal. America will never get close to eliminating poverty until we set our sights and commit to try. Poverty is such a low priority in Washington that politicians are not even interested in developing an accurate statistic. The official measure is incomplete and out-of-date, overlooking as many as one million Americans,\textsuperscript{12} and serving as a metaphor for how poverty is ignored. Setting a bold goal is how we will bring change.

Prime Minister Tony Blair understands the power of great goals. In 1999, he announced a goal of ending child poverty by 2020.\textsuperscript{13} Since then, British child poverty has dropped by 17\%,\textsuperscript{14} a remarkable accomplishment in just seven years, and there is no reason we cannot see similar results here.

I want to make clear that I am not willing to settle for some Washington

\textsuperscript{8} The Author’s calculation based on poverty thresholds used by the U.S. Census Bureau, as described in DENAVAS-WALT ET AL., supra note 6, at 45.
\textsuperscript{9} William Sluis, Markets Stay on Their Autumn Roll, CHI. TRIB., Nov. 19, 2005, § 2, at 1.
\textsuperscript{10} Economic Policy Institute, Economy Up, Wages Down (Jan. 24, 2006), http://www.epi.org/content.cfm/webfeatures_snapshots_20060124.
\textsuperscript{11} See Robert J. Samuelson, One “Reform” That Worked, NEWSWEEK, Aug. 7, 2006, at 45.
\textsuperscript{13} See Jared Bernstein & Mark Greenberg, A Plan To End Child Poverty, WASH. POST, Apr. 3, 2006, at A19.
\textsuperscript{14} Id.
Ending Poverty: The Great Moral Issue of Our Time

“pie-in-the-sky” dream that gets promised and then quickly forgotten. Poverty is an issue where we cannot fail. So to hold us accountable, I propose that we also set a benchmark to measure our progress and guide our way: In the next ten years, we need to cut poverty by a third, improving the lives of twelve million Americans. If we meet this benchmark, we will be well on our way.

IV. BUILDING A "WORKING SOCIETY"

In order to get the country on the path to eliminating poverty, we must build a "Working Society," which builds on the lessons of the past to create solutions for the future. At the heart of the Working Society is the value of work. Work is not only a source of a paycheck, but also a source of dignity and independence and self-respect.

In a Working Society, we would create new opportunities to work. We would offer affordable housing near good jobs and a million “last-chance” jobs for people who cannot find work on their own.

In a Working Society, we would reward work. We would raise the minimum wage and cut taxes for low-income workers. We would find ways for workers not only to have, but also to keep their health care and other key benefits, a topic I will return to in the future. We would help workers save for the future with Work Bonds and homeownership tax credits. And we would create a million more housing vouchers for working families.

And in a Working Society, we would expect work. In return for greater investments, we would expect everyone who can work to work, for the sake of their country, their families, and themselves.

V. THE COMPONENTS OF A "WORKING SOCIETY"

A. Employment Opportunities and Rewards

Recently, a new movie came out starring Will Smith, called “The Pursuit of Happiness.” The film is about a man who goes from being homeless to earning millions as a stockbroker.

The rags to riches movie is based on a true story, but to too many poor Americans, it sounds like a fairy tale. We live in a time when it is harder than ever to get ahead; today, it is easy to be a millionaire, but trying to become one is like climbing a greased pole. The Working Society is based on the premise that we should expect work and reward work. One harsh reality is that some people are in poverty because no one will give them a job, either because they have no prior work history, they lack basic skills such as the ability to read, or

15. THE PURSUIT OF HAPPINESS (Sony Pictures 2006).
they have physical and mental challenges. This is particularly true for young men. Welfare reform asked young mothers to join the workforce and gave them help to get there. Millions of poor women benefited, but poor men lost ground during the best economy we have ever had.\footnote{See Hearing To Review Outcomes of 1996 Welfare Reforms Before the H. Comm. on Ways and Means, 109th Cong. (2006) (statement of Ronald Haskins, Co-Director, Center on Children and Families, Brookings Institution), available at http://waysandmeans.house.gov/hearings.asp?formmode=view&id=5147; see also Peter Edelman \textit{et al.}, \textit{Reconnecting Disadvantaged Young Men} 19-20 (2006).} In America today, there are communities where half the young men are out of work.\footnote{See, e.g., Carol Towarnicky, \textit{Why Work Matters—and the Barriers to It}, \textit{Philly.Com}, Feb. 27, 2007, http://www.philly.com/mld/dailynews/16791785.htm.}

The time has come to finish the job of welfare reform by giving low-income men the opportunity to work and challenging them to take responsibility for doing so. If they do not work, they will not get paid. If they owe child support, their children will get paid first, because women should not have to raise children on their own. I believe we will find out once again that poor people are just like everyone else: They want to work, they want to do right by their children, and given the chance, they will work their hearts out.

If we believe that everyone who is capable of working should work, then we need to make sure that they have the opportunity to do so. I believe that we should create one million “stepping stone” jobs over five years—a good job that will let people work their way out of poverty in the short term and will help them get experience so that they can get better jobs in the future. These jobs could change the face of our hardest-hit communities. Workers could serve with nonprofit organizations working wonders, building parks, and keeping our neighborhoods clean. They will bring opportunity to neighborhoods where jobs are scarce and hope is sometimes even scarcer.

Additionally, while we expect people to work and help make sure they can, the Working Society would ensure that all Americans have something to show for it. The erosion of the minimum wage is a disgrace; we need to raise it to at least $7.50 an hour, a step that, by itself, would give full-time workers a $4800 raise and lift more than a million people out of poverty.\footnote{The Author’s calculations are based on Isabel \textit{et al.}, \textit{A Hand Up for the Bottom Third: Toward a New Agenda for Low-Income Working Families} (May 2001), http://www.brook.edu/views/papers/sawhill/20010522.htm.} Last summer, Republicans in the Senate blocked Senator Kennedy’s attempt to raise the national minimum wage.\footnote{Shailagh Murray, \textit{Minimum-Wage Increase Fails: Rate Has Stayed Same for 9 Years}, \textit{Wash. Post}, June 22, 2006, at D2.} Because the Republicans in Washington refuse to raise the minimum wage, we took this fight to the states.

We also need to give America’s workers a real right to organize. Unions helped move manufacturing jobs into the foundation of our middle class, and they can do the same for our service economy. \textit{Time} magazine has described
one difference between a janitor making $6.50 an hour and another making $12.50 an hour—a union. The union itself is the difference between working in poverty and working one’s way out of poverty.

There is a saying that goes, “Income is what you use to get by, but assets are what you use to get ahead.” It is true, and it is why we will beat poverty by helping every working American build and protect their own assets through a savings account they can use to start a small business, for money to fall back on in hard times, or to make a down payment to buy their first home. I have previously described a proposal I call “Work Bonds,” which would match low-income workers’ wages with a tax credit to help jumpstart their savings accounts.

B. Adequate Housing and an Overhauled Department of Housing and Urban Development

In the 1990s, we saw how a new approach to welfare could help millions of families achieve independence. Now it is time for a new approach for another tough issue: housing. I believe we should radically overhaul the U.S. Department of Housing and Urban Development (HUD) in three big steps.

First, we need to integrate our neighborhoods economically. Many neighborhoods were once segregated by race; now segregation by wealth is common, often with a racial dimension. If we truly believe that we are all equal, then we should live together too.

We could all see the problems of concentrated poverty after Katrina, but in truth nearly every major American city has similar neighborhoods that remain unseen. The federal government has built public housing in the worst neighborhoods and has overlooked the need for affordable housing in the suburbs. These policies cut off willing workers from entry-level jobs, which are often created in the suburbs, far from public transportation, and they keep low-income children far from good schools.

If conservatives really believed in markets, they would join us in a more radical and more sensible solution: creating one million more housing vouchers for working families over the next five years. Done right, vouchers can enable people to vote with their feet to demand safe communities with good schools. We can help pay for this by cutting back HUD’s role in managing public housing, which it does not do very well, often sticking working families in bad neighborhoods.

Second, we need to put families ahead of bureaucracy. HUD is bloated and

20. Jeremy Caplan, Trying To Make a Decent Living, TIME, June 26, 2006, at 56.
has a track record of mismanaging money. We should start by cutting back HUD's excessive, unnecessary, and sometimes incompetent contractors. Next, we should trim the agency by at least 1500 employees and get the money we save out where it can do some good. We can take the opportunity to give more authority to cities and states to tackle housing problems in their own regions. They will be responsible for taking a regional approach—including both cities and suburbs—and creating affordable housing near jobs and good schools.

Finally, work should be at the center of our housing policy just as it is at the center of our other social policies. We should attach a contract to new housing vouchers: If recipients do not already have jobs, they must work toward independence, and in return we will help them earn more and save more. A similar program is already working for 75,000 families today.22

Though I have discussed housing in cities at length, we should not forget that housing is a rural problem too. 1.5 million rural homes are substandard—without plumbing or with a crumbling foundation or sagging roof.23 The Working Society will not forget about America's small towns and rural communities. It will offer tailored solutions to meet their needs. We would invest in community colleges, which are particularly important in rural areas. We would open rural small business centers, which will provide investment capital and advice to help entrepreneurs get off the ground. And we would take a long, hard look at America's schools, which are too often no better than the zip code in which they stand.

C. Improved Schools

Across the country, many of our schools—particularly our high schools—are failing. Today, almost one in three students does not graduate.24 On average, minority students enter high school four years behind their peers.25 In the Working Society, we would get serious about improving our schools, as there is no greater challenge in America today. It includes expanding preschool


Ending Poverty: The Great Moral Issue of Our Time

for three- and four-year-olds, getting good teachers into the places where we need them most, and overhauling our outdated high schools.

We also need to address the dropout crisis in our nation. We can never overcome poverty until we address it—not by lowering standards, but by making sure everyone can meet them. America is about second chances, so there is no reason not to have “second-chance schools.” These schools would lift up former dropouts, offering them one-on-one attention and a chance to earn a diploma at night or at a local community college. Many drop-outs want to do the work and realize that dropping out was a mistake. They should have the chance to earn a diploma and get on with their life.

For some time, I have promoted a program I call “College for Everyone,” which allows students to attend the first year of college for free, if they are willing to stay out of trouble and take a part-time job. Now, I have good news: College for Everyone works. Last year, I attended a high-school awards ceremony in Greene County, North Carolina. Through a pilot program, we were able to provide students there over $300,000 in aid. Kids who never before would have dreamed of going to college not only left for school last fall, but are completing their first year without going into debt.

D. Strengthened Families

Good public schools and the chance to go to college meant everything in my life. But even to this day, there is something that matters more: family. I do not know where I would be without my parents, who taught me right from wrong and that there are consequences for the choices I make in life. In a Working Society, we will make a priority of strengthening families.

As a start, we would cut the marriage penalty that still hits poor workers, because penalizing marriage makes absolutely no sense. We would also cut taxes for low-income, single workers, who are the only Americans living in poverty and paying federal taxes, in order to draw them into the workforce. And, as I mentioned earlier, we would create opportunities for young fathers to work and take responsibility for their children, and we would reward them for doing so.

But after that, there is only so much the government can do, so the real burden of promoting strong families falls to us. All of us—parents, clergy, teachers, public officials—we need to say that it is wrong when young men father children but do not support them. It is wrong when girls and young women bear children they are not ready to care for. It is wrong when corporate America—through movies, music, and advertising—promotes a culture of reckless behavior to our youth. And it is wrong when all Americans see this happening and do nothing to stop it. Fighting poverty is a job for government, it is a job for communities, it is a job for all of us.
VI. CONCLUSION

One of the great pleasures I have had over the past couple years is traveling to college campuses to engage young people in the cause of poverty. I am deeply impressed with young people today, particularly the 700 college students who skipped Spring Break last year to clean up Katrina damage with me in St. Bernard Parish, Louisiana. These young people were tremendous. They understand that in America, when a neighbor is in need, you do not make excuses. You do not point to someone else and say it is their responsibility. You just step up.

I believe these college students have a lot to teach us about how we approach challenges like poverty. All of us need to move right past the skeptics and follow the lead of these young people. We need to get involved when our neighbors need us. We need to speak up when we know something is wrong. And we need to step forward to meet the challenges we all face.

Issues like poverty are our test, and we have a moral obligation to make sure we pass. In America today, there are millions of our neighbors who think they are alone. They think that no one knows they are struggling with their bills, that no one cares they cannot afford to turn on the lights, and that no one thinks twice about the fact that their kids go to bed hungry at night. I have something to say to these families: we know, we care, and we will lift you up.

There was an extraordinary activist who would end her speeches by saying, "We are the ones we have been waiting for!"26 She is exactly right. Poverty is our challenge. It is time for us to lead.