

Glocalizing Structural Poverty: Reclaiming Hope for Children and Families

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Abstract

Understanding the structural nature of poverty is critical to eradicating poverty in this highly complex, globalized society. Fighting poverty requires thinking globally about its structural causes and acting locally—hence “glocalizing” structural poverty—to improve the well-being of children and families in the community. Poverty is a natural consequence of the workings of the global economic system, but failure to organize the public will to remedy it keeps it a bootstrap issue. Structural dependence of the public will on the economic system leads to the condition of poverty not being recognized as a public problem and, inevitably, subscription to the default individual approach in policy choice. Glocalization strategies are offered to combat structural poverty: global social policy development as the global approach; and community capitalism, civic service, and asset development as the bottom-up, community-based approaches. These are progressive, proactive, and empowerment strategies in an age in which government is constrained from protecting children and families from the effects of the global market system.

Introduction

Jeffery Sachs estimates that about 1 billion world citizens live in extreme poverty and another 1.5 billion live in poverty; this totals approximately 40% of humanity. The world has made great economic progress over the centuries, but “at a different rate in different regions” (2005, p. 31). Fed by a confluence of factors in recent history—notably technological innovation—the gap between the richest economies and the poorest regions has widened to twenty to one. In this global environment, Sachs maintains, the poor are caught in a poverty trap and challenged by structural forces that “keep them from getting even their first foot on the ladder of development” (2005, p. 226).

Structural poverty is a significant

presence even in the United States, the world’s richest nation. A series of life-table analyses conducted by Rank and Hirschl (1999b, 2001) suggest that poverty is neither a distant anecdote about some fictional character nor a problem relegated to past history, but a real issue that affects the lives of almost everyone in America. Their studies strikingly revealed that about 66% of all Americans are expected to experience at least a year in poverty by age 75 and that 37% of American adults will experience extreme poverty (below 50% of the poverty line). The magnitude and pervasiveness of the issue suggest the structural nature of poverty.

What is even more appalling is that 34% of all American children—including 69% of African-American children and 63% of children whose household head has less than 12 years of education—will experience poverty before the age of 17 (Rank & Hirschl, 1999a). A total of 36% of children live in poor and near-poor families at the national level. In 2006, about 17% of all children (13 million) lived in families with below-poverty income (National Center for Children in Poverty [NCCA], 2007b). Research suggests that families need income of at least twice the federal poverty level (FPL) to take care of basic needs, but one finds that an additional 19% of children live in families with 100% to 200% FPL income (NCCA, 2007a). Similarly, in Illinois, about 35% of children live below 200% FPL. Adolescents in poor, distressed communities have little opportunity for healthy development and productive growth (Tsoi-A-Fatt, 2008). Youth in these communities are subject to multiple risk factors that cumulatively act as systemic barriers to future economic stability and life success. For instance, children of Chicago are too close to becoming stories illustrating the high risk of living in poverty: about 44%

of homicide victims under the age of 24, 12 violent crimes per 1,000 inhabitants, 56 teen pregnancy incidents per 1,000 girls aged 15 to 19, and a 52% graduation rate (Tsoi-A-Fatt, 2008).

This article takes a closer look at the nature of structural poverty in the United States and discusses how local community initiatives can best tackle this issue from the bottom up. Poverty is a natural consequence of the capitalist economic system (Rank, 2004), on which ideological values and political decision-making processes have become structurally dependent. The structural dependence of public will in dealing with structural poverty, coupled with the split in public views on poverty, leads to political inertia that supports the status quo. Hence, what becomes marginalized is the structural definition of poverty and the policy alternatives for systematically dealing with the issue of poverty.

Although public opinion polls suggest that poverty is viewed equally as caused by individual and structural factors, the problem definition of poverty remains highly individualistic. This produces more individually-focused government policy responses, emphasizing sticks rather than carrots, as has been the case with welfare reform. When individual explanations are accepted as the dominant problem definition of poverty, it is inevitable that such policy responses as welfare reform, which promotes individual behavioral changes, will follow. This is clearly a remedial approach to dealing with poverty, rather than a preventive and comprehensive solution.

Marginalization of Structural Poverty

When it comes to poverty in the United States, those on the political left highlight failures of the economic and cultural system as causal factors, whereas those on the right commonly cite the lack of individual or group effort (Rochefort and Cobb, 1994, p. 15; Beck, Whitley, and Wolk, 1999, p. 98).

Traditionally, anti-poverty policy responses have accepted the latter explanation as the cause (dominant problem definition) of poverty. Also known as “flawed character” (Schiller, 2001, p. 4), “individual” (Rank, 1994), “pathological” (Spicker, 1993), or “behavioral” (Beck, Whitley, and Wolk, 1999, p. 89) explanations, the individual explanation of poverty emphasizes people’s individual characteristics as determinants of poverty and life outcome.

This argument has maintained its supremacy, along the controversial spectrum on the issue of poverty, against the view that poor people are victims of society’s bad management of institutions; that is, the structural explanation (Spicker, 1993; Rank, 1994; Beck, Whitley, and Wolk, 1999). Individual-explanation theories are mostly based on behavioral attributes—e.g., ability, motivation, choice, and human capital—as they relate to poverty. Because this argument is based on the assumption that individuals are rational, these explanations immediately lose validity and applicability when the assumption becomes compromised. These factors only partially describe the visible features of poverty, rather than explaining the root causes that limit individuals’ ability, motivation, choice, human capital, and so forth. Individual-based explanations have traditionally been adopted, implicitly or otherwise, in policies geared toward altering these individual attributes in order to move people out of poverty.

Although the cultural explanations take account of both individual and structural elements of poverty (Rodgers, 2000), they have often been mistakenly interpreted as giving more weight to the more visible attributes of poverty. These explanations posit the culture of poverty as a hybrid between structural forces exacerbating poverty and individual or group values and attitudes resulting from internalization and reinforcement of these external constraints. Policy applications of cultural explanations have been limited to viewing the culture as a behavioral issue, with relatively less

emphasis on “social isolation.” Rank (1994) saw the culture of poverty as an important structural condition reflected in William Julius Wilson’s thesis on communities of the underclass (p. 29). Wilson (1987) wrote that the underclass consists of those who have become increasingly isolated socially from mainstream patterns of behavior, primarily not by their culture but by a social structure that restricts opportunity for the poor.

Approaches that focus primarily on individual responsibilities represent the fundamental misunderstandings of why people are poor in this country (Bennett, Smith, and Wright, 2006). Structural explanations that offer a different set of views, compared to the individual explanations, are marginalized. However, in that they emphasize economic, political, and cultural constraints external to individual control, these explanations actually come much closer to the root causes of poverty. Beeghly summarized the structural factors producing high rates of poverty: (1) reproduction of the class system, (2) macroeconomic policies, (3) the vicious circle/cycle of poverty, (4) the structure of the electoral process, (5) the structure of the economy, (6) institutionalized gender discrimination, and (7) institutionalized racial and ethnic discrimination. In a system characterized by such factors, poor people have fewer choices and consequently become less effective in solving personal problems (Beeghly, 1988).

Rank’s structural vulnerability thesis (1994, 2000, 2001, 2004) stresses that even the human capital disadvantages are less a reflection of individual lack of effort than of structural vulnerability of the poor within an economic system that ensures losers in the first place. Rank (2004) points out that poverty is associated with structural failings at the economic, political, and social levels. The systemic nature of poverty is evidenced by examining the lack of sufficient jobs, ineffectiveness of the social safety net, and the American adult’s high risk of experiencing poverty (Rank, 2004).

Adding to the structural complexity, Massey argues that other structural forces, such as urbanization, rising income inequality, and increasing class segregation, have produced a geographic concentration of affluence and poverty, creating a radical change in the geographic basis of human society. The spatial concentration of affluence has enhanced the benefits and privileges of the rich by excluding the poor:

The poor are isolated politically by the segmentation of metropolitan regions into a patchwork of separate municipalities The concentration of poverty in central cities and some inner suburbs generates a high demand for services but yields low property values; thus high tax rates are required to support generally inferior services. The end result is vicious cycles whereby city taxes are raised to maintain deficient services; consequently families with means are driven out; property values then decline further; the result is more tax increases and additional middle-class flight, which further exacerbate the concentration of poverty (Massey, 1996, p. 406).

These structural factors have indirect but strong impacts on child well-being. When social institutions such as the economy, government, education, family, and others are part of creating or are hamstrung by structural poverty, children’s experience in poverty may be even more entrenched. Of all those suffering from poverty, children are the most victimized in the sense that children cannot advocate for themselves in the arena of public discourse and they generally do not know enough about what they should be getting and are missing to know what they deserve and could request.

When the human suffering associated with poverty exists so obviously, why is structural poverty marginalized in the United States? The complacency underlying public nonrecognition of the structural nature of poverty has to do with poverty serving a positive function in society. Poverty, according to Galbraith, becomes an

integral part of the larger economic process, serving to maintain the comfortable living standard of the more favored community. To fill the gap of structural dysfunction, some among the underclass are kept in continued and deferential subjugation with tedious or socially demeaning jobs that require unskilled, willing, and inexpensive labor (Galbraith, 1992). Poverty persists not only because it serves a number of positive functions, but also because many of the functional alternatives to poverty would be quite dysfunctional for the more affluent members of society—for example, there would be no one to do the dirty work (Gans, 1972). Thus, structural poverty is marginalized because structural solutions would be dysfunctional for the societal status quo.

Split Public Views on the Causes of Poverty

Structural poverty becomes marginalized when poverty does not become a public problem in the first place. It does not achieve this status because people disagree on the causes of poverty, and policy solutions are inevitably attached to and directed toward causes. According to a national survey on American poverty conducted by National Public Radio (NPR) in collaboration with the Kaiser Family Foundation and Harvard University's Kennedy School of Government (NPR, 2001), Americans are quite split on the causes of poverty. About half lean toward the belief that the poor are not doing enough to help themselves out of poverty; the other half tends to think that circumstances beyond their control cause poor people to be poor.

Americans are also divided over the welfare issue. Their views are evenly split as to whether welfare recipients really need help from the government. Interestingly, Americans are equally divided as to how they evaluate government programs in terms of improving the lives of the poor. The public generally supports indirect measures

that encourage work as a primary means to escape poverty. Such efforts include expanding job-training programs (94%), improving public schools in low-income areas (94%), increasing tax credits for low-income workers (80%), and expanding subsidized day care (85%) and subsidized housing (75%).

Similarly, using the published public opinion polls of national samples of adults taken from 1938 to 1995, MacLeod, Montero, and Speer (1999) examined American public opinion on welfare, welfare recipients, and the government's role in welfare programs. In their study, an average of 43% of Americans reported that lack of individual effort (i.e., laziness and lack of motivation to work) is the main cause of poverty; 41% believed that poverty is due to circumstances beyond an individual's control. Although more than half of those polled between 1938 and 1995 believed that the government has a responsibility to provide for those in need, government assistance was approved primarily for those perceived to be deserving of such support. The percentage of Americans who believed that welfare recipients could get along without their welfare benefits remained relatively stable during the study period, at approximately 50%.

Using members of the Georgia General Assembly, Beck, Whitley, and Wolk (1999) explored legislators' perspectives on the causes of poverty. Their hypothesis was that one's orientation about the causes of poverty is related to support for social service initiatives. The survey's 10 explanations of poverty included 6 behaviorally based explanations (lack of effort, lack of ambition, lack of talent, lack of thrift, low intelligence, and loose morals) and 4 structurally based explanations (lack of jobs, low wages, prejudice and discrimination against minority groups, and poor schools). Legislators were asked to rate each of these explanations on a five-point scale where 1 was least important and 5 the most important. Although all groups of

legislators rated behavioral explanations as moderately important, there was significant variation by race, gender, and political party in the ratings of the structural explanations of poverty.

Consistent with the public-opinion and political-leadership polls, there was no dominant view on the causes of poverty among social workers. Under the assumption that social workers' attitudes and beliefs about poverty influence how they define client problems and how they intervene to address them, Rehner, Ishee, Salloun, and Velasques (1997) investigated the attitudes toward poverty and the poor among 186 Mississippi social workers. They compared the mean difference of Attitudes Toward Poverty (ATP) scale¹ scores by different types of practice, education, licensure, and political orientation of social workers. Although no statistically significant difference existed by type of practice, direct service providers who had frequent contact with the poor attached more individual explanations of poverty, compared to administrators and consultants/teachers.

Persons with higher social work degrees tended to endorse the structural explanations of poverty. Those with bachelor's degrees in social work held attitudes toward the poor that were statistically significantly more individual-oriented than those held by persons with higher social work degrees. The mean scores did not vary significantly by licensure. However, comparatively, the unlicensed social workers and licensed clinical social workers had more structural understandings of poverty than did the bachelor-level licensed social workers and persons with provisional licenses. Lastly, social workers who identified as left-wing and moderate liberal had more structural understanding than did right-wing and moderate conservatives.

However, in another study that compared social work and non-social work undergraduate students, Sun (2001) found

that social work students emphasized structural factors within environment over person-by-person individualistic factors. Drawing on the Feagin Poverty Scale to measure students' perceptions of structural, individualistic, and fatalistic factors explaining poverty, these three dependent variables were examined by four independent variables: major, gender, race, and age. Social work students not only assigned a significantly higher score to the structural factor than did non-social work students, but also ranked the structural factor as the most important of the three factors. However, non-social work students treated the structural and individualistic factors as equally important.

The split public views on the cause of poverty add to the marginalization of structural poverty by defaulting on individual views of poverty. This is especially manifested in how the public views poor children. Poor children are all too often seen in terms of the dysfunctions secondary to their poverty, and so the potential that they actually have rarely comes into the public discourse. For instance, children may be regarded as learning disabled or developmentally delayed, and therefore inherently unable to make use of opportunities. While non-poor healthy children can potentially exert full potential, poor children, because of trauma associated with profound poverty, are losing their chances at learning and maintaining good health on a daily basis. This latter view receives less attention compared to the former symptom-driven approach to viewing child poverty. Finally, while the public undoubtedly feels more sympathy for children in poverty than for adults, people are also very aware that they cannot help children directly, but only through the adults or institutions responsible for their care. Accordingly, for the public, the satisfaction of helping poor children can be perceived as more remote by comparison with helping adults in poverty.

Marginalization of *structural poverty*—poverty understood as a structural condition resulting from the market's failure to include everyone—is exacerbated by the structurally dependent public will. Iversen and Armstrong assert that public will is “freedom and responsibility of choice and choice making that is based on the foundational American principles of fairness and real opportunity” (2006, p. 206). They contend that these principles are “obscured by geographic and political dispersion and by neoliberal reliance on the market to solve all ills and needs” (p. 9). The market certainly enjoys the upper hand over the public will, as the latter is conditioned by how the former defines the degree to which fairness and real opportunities are acceptable and do not hurt the interest of the market.

Frustrated liberal social scientists charge that ideology and politics are to blame for the “paradox” of “poverty amidst plenty” (O'Connor, 2001, p. 3). An *ideology* is typically “held by some segment of politically active people and it has the potential of gathering support and affecting American politics” (Dolbeare and Dolbeare, 1973, p. 3). A dominant ideology, which is capitalism-liberalism in the case of the United States, may be so pervasive, so all-encompassing, that it is not even perceived by observers and analysts. Or the observers and analysts may be more or less willing parties to the routine task of using that ideology for social control purposes—in this case, for the purpose of persuading others that the structures, policies, and practices (and the result thereof) of ruling elites were inevitable, desirable, and widely accepted by all strata of the population (Dolbeare and Dolbeare, 1973, p. 1).

Generally speaking, the capitalist economic life is central and politics occupies a strictly secondary sphere (p. 56). Liberalism, in its classic usage, is much like capitalism in that it stresses “primacy for

the individual and strict limitation upon governments to ensure full freedom for the individual to serve his needs as he saw fit” (p. 55). Capitalism and liberalism both share the basic value of individualism. Having its roots in John Locke's idea that individuals have the right to have their property secured, in liberalism's conception the sole purpose of government was to protect this natural right of individuals. As capitalism became more prominent, liberalism evolved to apply capitalist principles to the organization and operation of government. Dolbeare and Dolbeare explain this process as follows:

Liberalism's worldview not only assumes that the political system's task is to support and promote the operating capitalist economic system, but it views the political process itself through capitalist economic concepts. Politics is seen as a free market for the exchange of demands, support, and public policies. Each individual has his specific wants and equivalent purchasing power—one vote. He *buys* the policies and candidates of his choice in the competitive market on election day. If the products are not available, the demand will soon create the supply. Officeholders act as brokers, adjusting government policy products to the wants of the number of consumers necessary to obtain the votes of a majority. In this fashion, participating individuals control major government policies, which in turn may be understood as flexibly responding to changing popular preferences and representing the public interest. In realistic and modern language, this is democracy (1973, pp. 57–58).

On this note, Bowles and Gintis (1986) were not shy about claiming that democratic institutions have been mere ornaments in the capitalist economy and that both liberty² and popular sovereignty³ have been sacrificed to securing economic hegemony. Similarly, Hofstadter (1948) argued that for the framers of the U.S. Constitution, political liberty was tied to *property* and not to *democracy*. This argument supported

Beard's (1935) historical analysis, in which he asserted that the self-interested economic elites drove the creation of the Constitution from the very start at the expense of the debtor classes—that is, the disenfranchised and small farmers. The resulting political economy of the American society was the direct manifestation of the framers' principle, which gave the market an upper hand over democracy (Cahn, 1995).

If one typifies political and economic development as path-dependent with increasing returns (Pierson, 2000), one could argue that the Constitution was the critical juncture of politics and economy; it has had long-lasting consequences with positive feedback to this very day. As such, the market continues to dominate the political life in America. The structural dependence (Przeworski & Wallerstein, 1988) of the government on the market provides the context within which business interests benefit from their privileged positions (Block, 1977; Miliband, 1969; Lindblom, 1977). In this sense, the market can be characterized as a "prison" that limits political change and discourages attempts to improve political institutions (Lindblom, 1982, p. 329).

It is a prison in the sense that often the market is treated not as a variable but as the fixed element around which policy must be fashioned (Lindblom, 1982, p. 333). The market is an automatic system that triggers punishment in the form of unemployment or slow economy. Many types of institutional changes are of a character that the market does not like; consequently, it reduces the inducements to provide jobs and performs its functions less effectively. In this market-based structural environment, the desire for reelection locks up politicians and forces them to favor business interests over public interests (Lindblom and Woodhouse, 1993; Smith, 1999).

One example that best characterizes this structural dependence is the employer-centered low-wage labor market.

Government plays little role other than to reinforce the employers' demands. The market stays constant and the job seekers become variables in the equation of top-down labor matching that is designed to bring together the low-skilled workers (labor supply) and the employers with low-paying jobs (labor demand). While local companies and other institutions wrestle with the forces of globalization and restructuring, the market faces almost no challenge to be more inclusive when survival is the priority. In other words, the main focus of workforce development has been on changing the "qualities and capabilities" of workers themselves (Melendez and Harrison, 1998, p. 3), rather than on addressing the structural conditions of labor mismatch that are heavily weighted toward the demand side (Hong and Wernet, 2007).

Secombe (2007) points out that welfare is a problem of the low-wage labor market's inability to provide adequate income for low-income families, rather than of the demoralizing system itself. Moving people from welfare to work by human capital development (HCD) and labor force attachment (LFA) depends on how the demand side of the labor market pictures a qualified worker. According to Holzer (1998), employers identify absenteeism and basic skill readiness as potential problems for welfare recipients seeking employment. During the employer screening process, particular credentials such as a high school diploma, work experience, and references are widely used (Holzer, 1998). Notably, specific experience/training and passage of certain tests are required by some employers. Based on these screening devices, the top-down matching process begins by preparing welfare leavers to become work-ready or employable.

Regarding the issue of public housing, the Chicago Housing Authority's (CHA) *Plan for Transformation* is a good example of how developers' interests dominate over those of residents (Bennett, Smith, and Wright, 2006).

Intended as a policy that would improve the living conditions of people in poverty by providing access to mixed-income housing, the CHA process focuses heavily on transforming buildings and deconcentrating poverty through relocation vouchers. Yet, the stringent self-sufficiency criteria for former public housing residents to move back into newly developed mixed-income neighborhoods make the reality of mixed-income housing distant for many people who need it the most (Bennett, Smith, and Wright, 2006). When the public will stays structurally dependent and the economic structure is kept constant, individual explanations of poverty will by default continue to overshadow structural explanations that require systemic change to address the problems. Because of this entanglement, ensuring basic human rights and advancing the common good are distanced from the main goals of the U.S. anti-poverty policies.

This article maintains that the structural dependence of public will discourages poverty from being recognized as a public problem, and therefore allows the government to remain passive and follow policies that are guided by individual-based problem definitions of poverty. Releasing the public will from structural dependence should provide a context in which structural poverty is recognized and reflected in public policy debates and formulation. The challenging reality before us, however, is an employer-centered, low-wage labor market around which many policy and program alternatives are formed. Achieving self-sufficiency has gained ground as a new approach to helping the poor achieve the American Dream, in rejection of welfare dependency that has been politicized as the cause of trapping many people in poverty (Hong, Sheriff, and Naeger, 2009).

Glocalizing Strategies to Combat Structural Poverty

The End of Structural Poverty—Thinking Globally

The idea that people ought to be self-sufficient or self-reliant prevents many

Americans from reaching out to others to receive or provide help (Hong, Sheriff, and Naeger, 2009). With very little political challenge, this notion of self-sufficiency has become the political engine of public policy. The post-welfare-reform policy practice in the nonprofit sector uses this concept as its main goal and measure of success. In fact, self-sufficiency is a myth (Shain, 1994). No one in this world is truly self-sufficient. All people have to rely on others to produce various goods and services to meet their needs. For instance, one has to rely on others to produce milk, meat, bread, books, computers, and other necessities in life that get exchanged in the market. Also, workers are labor-market dependent, relying on the availability of jobs, payment of wages, and the possibility of positions opening up. Even some unemployed rich and upper-middle-class members remain family dependent for maintaining financial security.

Instead of demonizing dependency as a social ill or failure, individualism as *the* market value should be complemented with greater emphasis on community and cooperation (Dolbeare and Dolbeare, 1973, p. 20). Society is made up of interdependent individuals, so it is vital to understand economic mobility as a relational process that “leads toward the establishment of genuine trust and reciprocity in the intersecting relationships among education and workforce development institutions, workers and firms, as well as families, firms, and children’s schools” (Iversen and Armstrong, 2006). To achieve any social or political change, individualism must be accompanied by the common-good approach that values everyone in a mutually dependent society (Hong and Wernet, 2007).

What, then, can be done at the global level to restore the public will? This article proposes a *glocalization* strategy, which is a hybrid between global thinking and local action. Thinking globally to end structural poverty begins with the understanding that global disparities in economic development

threaten world security. Mindful of this concern, Sachs proposed to achieve the Millennium Development Goals (MDG) by performing differential diagnoses, accompanied by an investment plan, a financial plan, a donor plan, and a public management plan suited to the particulars of the local context. He also suggested that ending extreme poverty by 2025 will require addressing the debt crisis, global trade policy, science for development, and environmental stewardship at the global level. A global network of cooperation, in which the richest countries commit to fight poverty, is essential for achieving these goals. A movement toward an enlightened globalization is promoted to “address the needs of the poorest of the poor, the global environment, and the spread of democracy” (Sachs, 2005, p. 358).

Capitalism is an ideal-type ideology. When power gets mixed into an ideal type, which is quite common in human history, it becomes something other than the best intention behind the idea. As for the market, its welfare function continues to be minimized by externalities. This jeopardizes not only the people who do survive the competitive market demands for labor, but also those who get left behind, particularly as the middle class starts to join the ranks of the working poor. Nathanson states that once jobs become scarcer, and as poverty persists amidst extraordinary plenty for some, the impetus toward greater economic justice will be strengthened (1998, p. 137). Establishing a global social-policy system (Deacon, 1997) would provide a safety net for people who become victims within the global capitalist market.

Reforming or revising the degree to which America is committed to the capitalist ideology is important when it comes to the welfare of people (Seccombe, 2007). A social-reform approach would have to focus on “making capitalism work” in the interest of renewed public will to promote fairness and real opportunity (Iversen and Armstrong, 2006). Public

commitment to providing publicly endorsed and funded work supports, affordable pay, and benefits matters in encouraging upward mobility. Effective workforce development efforts require a collaborative venture among employers, community-based organizations, the public sector, and educational institutions. Iversen and Armstrong (2006) cite Hart (2005), who argued that this reform would have to be an inclusive practice: “By creating a new, more inclusive brand of capitalism, one that incorporates previously excluded voices, concerns, and interests, the corporate sector could be the catalyst for a truly sustainable form of global development—and prosper in the process” (p. xli). Bennett, Smith, and Wright asked “Where Are Poor People to Live?” and called for national and local public commitment to affordable housing:

Fundamental human rights have been undermined by recent trends in U.S. public housing policy. . . . To develop new housing programs that meet the needs of America’s low-income population via locally sensitive, publicly responsive institutional mechanisms actually looks like a meaningful, manageable step in reconstituting United States public policy (2006, p. 310).

One thing that is critical to combating poverty at the policy level is to have this condition regarded as a public problem. Considering Wood and Doan’s (2003) threshold model, individuals are more likely to voice their discontent when their perception of the social nonacceptance rate is lower than the actual nonacceptance rate. The breakpoint for change from the silent (no-action) state to public-outcry (public-problem) status is the point at which the perception corresponds to the actual rate of nonacceptance. Creative bridging of this gap will be key to transforming poverty from a mere condition to a public problem.

First, it will be important to accurately and regularly report the results of public opinion polls on poverty, and to promote

public education about the structural effects of poverty on the rest of the society. Second, it will be vital to provide evidence, informed by sound research, that poverty in many ways is not a consequence of choice exercised by the poor. Third, it will be crucial to reinvent the mental image of poverty by influencing the media portrayal of poverty. These measures are especially important when it comes to reimagining poverty among children and families who play by the rules. Parents who have to work two jobs to try to make ends meet face difficulties finding time or energy to parent. The employment and poverty issues quickly become a parenting issue that would plague any similarly beleaguered family. Children often end up taking care of themselves, with all the consequences that result from that for their well-being.

Adapting a conflict resolution model offered by Johan Galtung (1999), we can seek reconciliation between the individual and structural explanations of poverty. Figure 1 depicts a way in which an agreement on poverty can be achieved between Party A (i.e., individual problem definition) and Party B (i.e., structural problem definition). Party A holds a problem definition at point A ($a,0$) while Party B maintains its own at point B ($0,b$). Both Parties A and B are most satisfied when their problem definitions are each accepted, which will give a total gain of $(a \times b)/2$, or the entire right triangle below the line connecting the two positions. Consequently, there is a natural tendency to exercise policy monopoly by these parties in competition.

This win-lose conflict situation cannot be resolved by the compromise of meeting halfway at point D ($a/2, b/2$). This is because both parties would have to sacrifice some portions of their desired definitions, and only gain the small square area within the triangle ($[a \times b]/4$), instead of their potentially most satisfying gain of $(a \times b)/2$. Therefore, point D (compromise) could never be achieved between the individual and structural problem definitions of poverty, because D is not a stable condition and the continued

tension would stabilize only when the new equilibrium was reached at point A, B, or C. When the public is split on its view of poverty, both parties will withdraw and stabilize at point C ($0,0$), where the default individual explanation gains ground.

Social policy entrepreneurs should take the lead in reframing or refocusing the issue of poverty within the concept of well-being or social inclusion, and bring the two explanations to a common acknowledgment that a problem of poverty exists reciprocally at both the individual and structural levels. Point E (a,b) is where both parties prevail, because the boxed area defined by $(a \times b)$ is inclusive of both problem definitions and the focus on poverty has been shifted to a broader concept. Both individual and structural approaches, proposed according to their respective problem definitions, could be attached to solutions to improve the well-being of people. This is the minimum threshold point at which an agreement can be reached, by giving both the conservatives and the liberals a winning ticket. When we transcend the conflict between the two major explanations on poverty, an agreement on strategies to tackle poverty as a public problem can be achieved anywhere beyond this point in the shaded area, as a win-win solution.

Acting Locally for Inclusive Labor Market Development

Arguably, American capitalism is no longer an economy constrained by the national boundaries. Monetary stability will trump state sovereignty when increased international trade and investment require a stable currency value of a given country (Nitzan, 2001). Therefore, when government can play only a very minimal role in balancing the market to protect the public interest of all the people, a proactive approach to reforming the market dominance must be accompanied by a bottom-up approach. The second part of the glocalization strategy—acting locally within the global paradigm—suggests local development of an inclusive labor market system.

In *A Preface to Economic Democracy* (1985), Dahl addressed the fundamental question of what core values constitute or underlie a just society and how Americans or world citizens could build a system that incorporates these values. He challenged the current American system, which does little (or is incapable of doing much) to protect the fundamental democratic values of equality, liberty, and justice. He suggested that a system of self-governing enterprises—a workplace democracy—would be one in which equality and liberty could balance out by extending democratic principles into the economic order.

This idea presents worker-owned and worker-controlled enterprises as a better foundation for democracy, political equality, and liberty than the current system of corporate capitalism. The main concern is that the older vision, based on an equality of resources maintained by the American citizen body of free farmers, no longer fits the new economic order. This new reality is constrained by economic enterprises that have heightened the inequalities among citizens in terms of wealth, income, social standing, education, knowledge, occupational prestige, and authority.

Dahl compared his postulated self-governing enterprises to corporate capitalism and found several advantages in the former. For example, self-governed economic enterprises would make the task of regulation and redistribution much easier than in a system of corporate capitalism. Also, Dahl saw that full and equal citizenship in economic enterprises would greatly reduce the adversarial and conflictive relationships within firms, and therefore in society and politics at large. Moreover, it could create participatory democracy and produce changes in human behavior. He stressed that the nature of this system would “reduce the conflict of interests, give all citizens a more nearly equal stake in maintaining political equality and democratic institutions in the government of the state, and facilitate the development of a stronger consensus on standards of fairness” (1985, p. 110).

Further, Dahl emphasized the importance of democratically governed economic enterprises by highlighting the importance of a democratically governed state. By exercising the right to govern democratically within economic enterprises, he asserted, one can possibly attain the goals of political equality, justice, efficiency, and liberty. However, he did note the limitation that self-governing enterprises would still require a central government to exercise authority over many important matters irresolvable within the market system alone: military actions, foreign affairs, fiscal and monetary policies, social welfare, and others.

What did Dahl suggest for a new economic order if we were to make changes? He pointed out five goals that must be met to ensure political equality, the democratic process, and primary political rights: justice, economic fairness, efficiency, a good form of government, and decentralization of power. To achieve these goals, he recommended establishing an economic order that would decentralize many significant decisions among autonomous economic enterprises; that would operate within the market system; and that would function under democratically imposed laws, rules, and regulations. He argued that self-governing enterprises achieve these goals, and consequently greater equality and liberty, much better than the system Americans currently possess.

Schumacher (1973) was an early thinker in proposing “smallness within bigness” as a strategy for effective operation of a large organization. This view maintains that effectiveness in large capitalist systems or governments is preserved when their elements or constituents behave as a network of small organizations. Offering a holistic approach in dealing with the multiplicity of economic stressors, this type of community-based practices can best address structural poverty by first developing individually tailored, need-based program planning for working-poor families (Wall et al., 2000).

To support the discussion of glocalizing the economic enterprise, this article ends by introducing the model of *community-based enterprise (CBE)*, which Peredo and Chrisman define as “a community acting corporately as both entrepreneur and enterprise in pursuit of the common good” (2006, p. 310). Through this process of reclaiming community power, individuals and families can rebuild self-efficacy and social fabrics. Members of the community collectively assemble a social vision, which is accompanied by creation of community-based market opportunities. CBE is process driven and encourages close participation of community members as key players in ownership, management, and employment. CBE also promotes entrepreneurial activities based on available community skills, thereby being more sustainable than a model based on business demands. Community’s social vision and local resources shape local alternatives for economic and social objectives. Through a participatory decisionmaking process, CBE addresses “the diversity of needs at both the community and individual/family levels” (p. 323).

Using the CBE theoretical perspective, a bottom-up community building approach can facilitate market creation and venture opportunities that are rooted within the community. This could take the form of collaborative partnerships with community resources (schools, cultural centers, churches, hospitals, banks, etc.), businesses, and human service agencies to generate a holistic support system that ensures economic well-being of individuals and families. Some innovative ideas that could potentially support this bottom-up, community-based approach to dealing with structural poverty are community capitalism (Stoesz, 2000), asset development (Sherraden, 1991), and civic service (Sherraden, 2001a, 2001b, 2001c).

These community building efforts have to focus not only on targeting self-efficacy at the individual and family levels, but also on creating the opportunity structure in which poor people can move toward achieving financial success (Hong, Sheriff,

and Naeger, 2009). Creating bottom-up structural changes within the community could provide poor children and families with both the hope of upward mobility and ways to attain it. Sustainable job creation contained within the community would be central. Providing tax incentives, in the form of a community investment tax credit for businesses to implement transitional jobs programs, and comprehensive HCD programs through community-based entrepreneurial partnerships are some ideas to start up the initiative.

All these require a strong public will at the community level, but not necessarily at the national or global levels, to encourage multi-institutional collaboration and to promote the common-good approach. A case of an innovative idea successfully gaining support at large in America is Sherraden’s (1991) Individual Development Account (IDA) program. The IDA program attempted to create an opportunity structure for poor people to develop assets, using matched savings accounts. As with the IDA approach, it would be important to pilot-test any new bottom-up ideas as demonstration projects, in partnership with the business and nongovernmental sectors, in order to gain larger acceptance in the political arena. In this regard, one cannot overemphasize sound program evaluations as the key tool for nonprofit organizations to employ in leading the agenda-setting process and developing new initiatives.

Conclusion

Poverty is like a wound created naturally by the economic system, as Rank (1994, 2000, 2001, 2004) suggested. The structural dependence thesis would add that poverty exists because the wound remains untreated by the political agent that represents the people. The poverty wound is the social consequence that results from structural dependence of the political system on the economic system. Progressively breaking this cycle of dependency at the structural level, and taking proactive actions at the local level,

will start to cure the wound by transforming poverty from a non-issue to a salient issue. Therefore, the glocalization strategy recommends community and policy practices that address the structural nature of poverty.

Gans argued that poverty can be eliminated only when it either becomes sufficiently dysfunctional for the affluent or when the poor obtain enough power to change the system of social stratification (1972, p. 288). High concentration of poverty could work as a dysfunction to the community as a unit when hopelessness prevails in the absence of motivation for development. Hopelessness reflects a chronic group psychology reacting to the structural nature of poverty—racial discrimination, inequality, and depleted resources and opportunities. Ultimately, reclaiming hope for children and families in many at-risk communities should be the main goal pursued by the glocalization strategy: thinking globally and promoting bottom-up community sustainability by building an inclusive opportunity structure.

Endnotes

1. Developed by Atherton et al. (1993), the 37-item ATP scale uses a 5-point response set ranging from “strongly disagree” to “strongly agree.” The scores range from 37 to 185, with the higher scores representing a more positive attitude (Rehner, Ishee, Salloum, and Velasques, 1997, p. 134). More positive scores reflect subscription more to structural explanations of poverty than to individual explanations.
2. *Liberty* involves an extensive range of social life over which individuals have the freedom and (where appropriate) the resources to act and to seek to persuade others to act, as they see fit, without social impediment (Bowles and Gintis, 1986, ch. 1).
3. *Popular sovereignty* has to do with power being accountable, and in some sense equally accountable, to those affected by its exercise (Bowles and Gintis, 1986, ch. 1).

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