Session 3 Discussion:
Social & Political Aspects of Poverty

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Lichter, Parisi, & Taquino

• Careful study of:
  – Poor/non-poor segregation
  – Minority segregation

• Focus on “places” (smaller than counties)

• Based primarily on ACS

• Maps, tables and regression
Lichter, Parisi, & Taquino

- “…geographic distribution of poor places does not necessarily coincide with geographic distribution of poor counties”
- Share of rural poor living in poor places is increasing
- Concentration of poor Hispanics into poor places is decreasing while poor blacks is stagnant.
- Within county poor/non-poor segregation is increasing.
- New ethnic enclaves of Hispanics in rural areas
- Manufacturing mitigates poor/non-poor segregation
Future Research

• Enclaves: good, bad, or indifferent?
  – Plus side:
    • Easier to transition from home country
    • At least in short term, better support systems
    • Perhaps more employable within the milieu
  – Minus side:
    • Poverty trap?
    • Limited markets
    • Potential for future social upheavals if inequality persists

• Enclaves: why are they arising?
  – Housing prices?
  – Preferences?
  – New age red-lining?
Future Research

• “Places” might be consistently poor; are the people in them consistently poor?
  – Churn? (New poor people replace old poor people who move out?)
  – Moving up a steep pyramid?
  – Large family problem?
  – Questions might be answered with Census Data Center

• With “reshoring” of manufacturing, is more equality on the horizon?
Sherman & Sage

- Ethnographic case study of rural community decimated by economic change
- Exploring who is groomed to be educated (probably to leave) and who is not
- Data from semi-structured in-depth interviews
- “Family social class standing and their moral status impact the ways in which their children are viewed and treated...”
Sherman & Sage

• Poor families opting out of school system
  – Anecdote: some non-poor as well
• Better-off families accepting education as preamble to permanent departure
Future Research

• Growth of home-schooling in US
  – Rural areas; declining enrollments → vicious circle of fewer choices, longer commutes leading to more home-schooling
  – Growth of online schooling
    • Free tablet
  – Are the less educated more likely to home school; use online to opt out due to perception of poorer treatment in traditional schools?
  – Will online education make graduates less tied to place (no longer meeting “sweet heart” at school)?
  – Will online offset lack of preparation parents or “cement” certain social viewpoints?
Islam, Minier, & Ziliak

• Large-scale econometric study using standard growth models and estimation techniques
• Innovation: incorporate county level-data from 1890 – 1900 as explanatory variables for contemporary poverty/non-poverty outcomes
• Focus on human capital (measured as illiteracy rate & HS graduation rate)
Islam, Minier, & Ziliak
Conclusions

• While much of the income difference is explained by contemporary factors, the contribution of historical levels of human capital is surprisingly large.

• Black race not significant if control for human capital
Policy Recommendation

• Investments in education, coupled with economic development programs that aim to diversify the economic base around nearby urban centers, may offer a path out of persistent poverty.
Islam, Minier, & Ziliak
Future Research

• A basic finding is that poverty is persistent. What about counties that did change?
  – Poor → Non-poor
  – Non-poor → Poor

• Poverty & outmigration
  – Policy recommendation implies moving people from hinterland areas of county to more central location
  – After they move once, “risk” of outmigration increases?
Islam, Minier, & Ziliak
Future Research

• Perhaps revisit religion/ethnicity variables, recode?
  – Places where predominant religion/ethnicity did not change
  – Places where descendants of 1890 people are still present but now mixed with more recent arrivals
  – Places where the 1890 religion/ethnicity are no longer found
Putting it all Together

• 3 very different and interesting contributions to our knowledge about poverty.
• Not inconsistent with each other
  – Persistent county-wide poverty
  – Pockets of poverty in other counties
  – Human capital important cause and possibly a conscious intergenerational choice
Policy Ideas

• Experiments?
  – Randomly select places and counties
  – Also control places counties
  – Invest in education in treatment counties

• Investments
  – Enhance traditional bricks and mortar education
    • Double shifts to extend school day?
    • Three square meals?
  – On-line education and infrastructure
  – Teach for America
Ethical Question

• Some (many) of these places have their own cultural identities
  – Tribal
  – Black Belt
  – Appalachia

• Our value system (education & social mobility as answer to poverty) may not fit the value system of these places

• Is it ethical to ask(expect) them to conform to the majority way of doing things?

• What are alternatives that allow people to make a decent living in place with their own values?
Practical Question

• “Life cycle” of a job is speeding up.
  – “Bitcoin miner”

• Rural areas are isolated from knowledge of latest trends in industry.

• How can we connect rural workforce training programs to rapidly evolving industry needs?