

TREND ARTICLE
THE AMERICAN UNDERCLASS*

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Poverty exists when a person has inadequate resources to meet his or his family's needs. American poverty, while it involves considerable physical hardship, is primarily "social poverty." It isolates the individual from the social mainstream, denies him the respect and status of the "respectable" members of the society, and excludes him from mobility opportunities into positions of "social worth." The poor are poor in relation to the aggregate wealth and to the standards of life enjoyed by others in society. While there will always be a statistical group at the bottom, it is not necessary that the lowest fifth in America have slum housing, poor education, inadequate social and health facilities, and deficient diets. Nor is it necessary that the lowest two-fifths lack the minimum adequate living standards and resources to be active, independent members of the community.

American poverty can be analyzed in terms of the mechanism through which income, resources, and opportunities are allocated in our society. These allocation mechanisms involve the functioning of both the economy and the political system. They set up a reinforcing situation: people are poor because they don't have money, and they don't have money because they are poor, and they stay both poor and without money because they don't have the political power to change their situation. The result is a new, largely impenetrable, class division in America between the poor and the affluent.

The Poor as an Underclass

America is divided into two classes: the affluent and the underclass. The affluent Americans are those with "good," well-paying, status-conferring jobs; those who own capital and receive income from its economic use; and those who have substantial savings or inherited wealth. The affluent are the mainstream of Americans--the upper class, the professionals, the small businessmen and big farmers, the managers and white-collar middle class, and the industrial unionized working class.

The underclass, by contrast, consists of those who have the poverty roles in the economic system: low-paying jobs or no jobs, and little savings or other non-employment-related income. They are service, domestic, retail, custodial, or farm workers, non-unionized laborers, workers retired or unemployed from such low-pay, low-status jobs, and the children and dependents of these workers, ex-workers, and unemployed workers. The underclass includes also non-dependent students, artists, and other creative workers who are pursuing full-time "jobs," but whose work does not have an economic product or an economically compensated social value.

There are really two groups within the underclass: an out-caste and an exploited class.

The out-castes. The out-castes are those for whom the society has no use. They are non-productive people (old people, mothers with dependent children, or the disabled), socially undesirable people (Negroes and others without the important resource of a white skin), and people for whose talents and services there is no economic need (the technologically unemployed and the undereducated, underskilled labor surplus).

Usually the out-castes subsist in a "marginal economy" using independent initiative in the interstices of the system through a combination of irregular service or "spot-labor" work, irregular welfare payments and public assistance, and a highly-developed system of sharing resources with friends and relatives. For the rural poor, this generally includes subsistence farming. While the affluent public often perceives them as disreputable non-workers, their irregular work is usually harder physically, less rewarding psycholo-

* This discussion is part of a larger paper which analyzes the economic and political processes of resource allocation in America and its relation to poverty.

gically, and surrounded by greater insecurity and pressure than the work of the middle class or the stable working class.

Hard times, too many dependents, or illness all limit the possibility of "employment" in the "marginal economy," and out-caste people may become chronic charges of the "welfare system." This guarantees subsistence income for food and shelter, but it may also institutionalize dependency through demeaning eligibility and investigative procedures, limitations placed on "outside" income, and the difficulty to re-establishing eligibility if an individual once goes off welfare.

These people are not necessarily unskilled or without potentially productive resources. Their relegation to the status of outcaste may be temporary if, for instance, they can overcome discrimination, increase their skill resource, or find an employer who values their productive potential. In some places, welfare recipients gain quasi-reentry into the "regular" labor force by being given public jobs on which to "work off the dole."

The exploited. Many of the poor perform vital functions for the society, but receive income below their needs or below their economic products. Directly or indirectly, they are being exploited. This occurs in several situations:

(1) Where there is a size differential among the firms in an industry so that the employees of one firm are put into competition with more efficient machines, or more efficient organization of capital, or greater capital resources. This is prevalent in such industries as agriculture, retail sales, and mining. Sometimes this results in great wage differentials and sometimes the whole industry may follow the low wage pattern set by the smaller, less efficient firms. If there is a tight labor market, inefficient firms are put out of business; but if there are no employment alternatives for low-wage workers, then wage differentials and differentials in efficiency of operation can persist.

(2) Where there is very intense competition and where consumer demand is such that relatively small increases in price cause sharp decreases in sales--consumers either providing the service for themselves, or shifting to higher quality, competitor, or substitute products. This situation requires low-cost operation, and, since labor is the largest variable cost and generally the easiest to cut, the solvency of the business requires low wages. This is the case which prevails in low-capital, easy-entry industries and non-mechanized services such as laundries, restaurants, car washes, and domestic service. It is also the case when people who can find no employment as wage workers become independent entrepreneurs and attempt to take up the slack in a service market. The dynamic of this situation tends to encourage more highly capitalized operators to enter the field (for example, mechanized car washes, laundromats, self-service dry cleaners, etc.), which puts a profit squeeze on the less efficient firms that entered on a low-capital basis. Again, unless there are employment alternatives, the resulting low wages will continue.

(3) Where the employer has superior power in the bargaining relations through which wages are set, and is able thereby to withhold as excess profits a portion of the sales revenue that would otherwise go to labor. This power exists where workers are unorganized and where they have no option for alternative employment, and in low-skill industries which have minimal investment in labor training and can afford high turnover. It is particularly the case among Negro workers where discrimination limits employment alternatives. From the point of view of the employer in these situations, unemployment above frictional levels is economically desirable since it creates a competitive labor supply which tends to bid wages down or at least restrict wage increases.

A special case of this relative power situation is public service and non-profit employment. Here the labor-management bargaining relation is complicated by a separation of the payroll function on the one hand from the managerial and assessment of labor productivity function on the other. Funds available for operation, including wages, are determined by public (or private) legislative bodies or general governmental units. Management is thus given fixed resources to accomplish the maximum service output. And, in these services, the demand is generally greater than the maximum possible output; that is, operating resources are not "enough." The resulting pressure against rising costs not only restricts wage levels, but also limits those improvements in quality of service which involve added costs. This is the general case affecting hospital workers, teachers, welfare department employees, and police, public recreation, sanitation, and custodial workers.

The opportunity structure.

The difference between the affluent and the underclass is a difference, first, of incomes; second, of status; and third, of occupational location. These three factors delimit the opportunity structure of an individual's position with respect to the "mobility ladder" which leads "upward" to the greater rewards and opportunities of the affluent. *

In today's society, restricted income restricts geographical mobility and cultural mobility. The poor person does not have money for travel and exploratory searching for the best job opportunities, and there is not money for investment in human resource development--books, continuing education, theater, museums, etc. Limited money also restricts residential mobility, forcing location in isolated (rural) or deteriorating (low-rent or ghetto) areas.

Low status and dead-end position in the occupational structure combine to restrict occupational mobility. The poor have jobs which don't lead anywhere: domestics, service, unskilled laborers, farm workers, etc. Hard work in these jobs does not pay off, since wage ceilings are low and there are few "promotions" within the same establishment. Neither, however, does hard work produce transferable skills or experience which enable the worker to change jobs and get on the promotion ladder of some other firm.

Restricted income and restricted occupational status result in restricted social participation. The poor have neither the money nor the opportunity to participate in the voluntary organizations or unions of the affluent. Non-participation, of course, reinforces itself, since without the involvement of the poor these organizations fail to speak to the needs and interests of the poor, and so they offer poor people little enticement to join.

Residential segregation, differences in cultural experience, values, and life styles cut the poor off from informal neighborhood or work contact with the affluent. The result is a greatly restricted knowledge of opportunities in the affluent society and limited social relationships which might be instrumental in helping them to take advantage of such opportunities as do exist.

This isolation, too, tends to become self-perpetuating. Without informal contact with the affluent, the poor tend to maintain distinctive linguistic or behavioral styles. These, in turn, make informal contact, communication, and assimilation more difficult. In the same way, a history of limited opportunities is also self-perpetuating. With highly limited past experience, the poor have limited adaptability and limited capacities with which to take advantage of and succeed in new opportunities.

Sustaining conditions.

In addition to the restricted opportunity structure of the poor, there are a number of institutional arrangements and discriminatory forces which prevent people from making full use of their resources and increasing their "supply" of socially and economically valued resources. These "sustaining conditions" tend to make impenetrable the mobility barrier between the underclass and the affluent. They are of three types: (1) public attitudes toward the poor; (2) effects of past deprivation; and (3) intra-generational barriers to mobility.

* The mobility aspirations of the poor do not all focus on the status and material comforts of the middle class. Equally, if not more important, are aspiration patterns for stability and security or for independence from system demands. (1) The stability pattern is probably dominant in the working and lower class. It has its root in traditional ethnic or kinship structures and is maintained as a defensive response against the threat of economic insecurity. If an open opportunity system existed, it is likely that the prevailing materialistic status consciousness and the unifying influence of the mass culture would convert this to an upward, achievement-oriented mobility demand. (2) The independence pattern seems to be associated with a combination of alienation and high achievement aspiration. It leads, among many poor people, to the desire to set up a small business--to be "my own boss." It may be the psychological base for the decision of many poor to subsist in the irregular economy or through illegal or semi-legal activities, rather than take jobs which confer little status and have a high degree of external regimentation in the work pace. (3) The independence pattern is primary also among the "voluntary poor"--that group of artists, students, writers, and social actionists who see a conflict between individual creativity and "making peace" with the system. They are in the underclass by choice; their opportunity is narrow because they reject the quality of opportunity offered by the affluent society.

Public attitudes toward the poor. The poor are widely viewed by the non-poor as a public nuisance, socially disruptive, morally incorrigible, and generally not to be trusted. The society of the affluent, reared in the "ethic" of hard work, thrift, and survival of the fittest, sees poverty as a mark of personal failure and inferiority. The filth and squalor revealed in the slums and shacks of the poor are evidence enough that the poor lack self-respect and common decency. Unstable families, higher crime rates, greater sexual freedom, and illegitimacy add fear and puritan repugnance to the composite image. Cultural stereotypes--"hillbillies," "white trash," "Oldies," "spics"--increase the social distance between the affluent and the poor, and race prejudice makes that distance nearly unbridgeable. In short, the poor are seen through the eyes of middle-class, white America; they are accorded the compassion due the sinful; and they are treated with the stern hand of the moral instructor.

As a consequence, public officials and professionals are more apt to be authoritarian, condescending, paternalistic, and arbitrary in dealing with the poor. Aid programs are apt to be humiliating and insensitive to the preferences or human needs of their clients. Public discussion goes on as if the poor, like children, were not listening and need be given no say in how the society treats their problems. The poor are outside the moral community of the affluent--a fact which reinforces their exclusion from the political and economic communities.

In part, this image of the poor is simply an irrational cultural prejudice against an outgroup. But in part, also, it serves important social functions. First, the spectre of poverty is a threat used in socialization to enjoin hard work, moral conformity, and respect for authority. It is the "damnation" of a secular society, used to inspire fear and obedience to the dictates of the work economy. Second, the disreputable attribution to the poor of the whole mythologized composite of negative characteristics is a primary reference for the "reputable poor" and the working class in their own status definition: "We're not like them." It thus serves as a means of social control, its standards of judgment even being adopted by the poor themselves as a measure of their own worth and providing constraints on their own behavior. Third, the connection of poverty with personal failure undermines the inclination to protest and subverts efforts of collective action. Class consciousness is very difficult when individual identification with the collective poor or lower class involves acceptance of moral stigma and the social attribution of personal guilt.

These various attitudes toward the poor are really derived from a more general component of the American social ethic: the equation of the right to income with a productive contribution to the economy. The welfare responsibility of the state extends only as far as keeping people from starving or living in abject misery. There is not a general belief that people have a right to a decent income with which they can lead their own lives as they see fit. Consequently, the remedy to hardship is not primarily to provide income aid; it is more to provide relief services such as medical aid, surplus food, foster care for children, counseling, public homes or other institutional care, etc. This is consistent with the belief that the poor are disreputable and can't be trusted with money, lest they squander it on sinful pursuits.

A similar view underlies the low standards for transfer payments. These are set below need as an "incentive" to develop other forms of income support. Thus, unemployment compensation is low as an incentive to reemployment; social security is low as an incentive to life-time savings; welfare is low as an incentive to enter the labor force or gain support from relatives. The moral assumption is that people who need public aid are lazy and it is necessary to starve them off the dole. As with many transcendent moral assumptions, this does not coincide with the economic reality, i. e., whether opportunities for supplementary income or productive employment are, in fact, available.

Effects of past deprivations. Poor education, poor health, limited social experience, and low or limited skill and work experience are the present consequences of past and inter-generational deprivation. Their inherited effect is a limited command of resources that are valued and employable in the economy. Even if there were no present discrimination or structural limits on opportunity, the poor would be at a disadvantage. To the extent that compensating opportunities are not made available, the poverty of the past poor will be sustained and handed down to yet another generation.

While the social wealth is sufficient to provide these compensating opportunities, they are not without economic cost. Hence they are subject to all the pressures and competing claims that characterize political interference with market-determined investments. Allocation for such purposes can be justified only if (1) the human resources thereby developed will be sufficiently productive to justify the investment and are

therefore necessary to the overall economy; or (2) if the costs of maintaining the welfare of the disadvantaged are too high and put too great a burden on the economy, hence making it important to shift the poor from "tax eaters to tax payers;" or (3) if the disadvantaged groups are politically disruptive or otherwise represent a threat to the stability and welfare of the affluent, making it necessary to invest in the dissipation of social dynamite.

In the recent concern with poverty, the first argument, that the poor are a wasted resource, has been largely rhetorical. The economy has unused resources of much higher productivity. The weight of attention has been on the high cost of public welfare services and the great problems poverty causes for the health and welfare of the rest of society. On these bases, compensatory opportunities are designed more to eliminate hardship and protest than to develop productive contribution.

Intra-generational barriers to mobility. This last category of sustaining conditions requires closest analysis, since it most clearly illustrates the relations between a political economy which serves the needs and interests of the affluent and the underclass position of the poor. There are four factors that must be considered: (1) race and style discrimination; (2) exploitation; (3) deficient community and professional services; and (4) structured dependency.

(1) Discrimination. Discrimination involves the use of "irrelevant" criteria which undervalue the productive resources of an individual and thereby exclude him from opportunities that are available. It affects Negroes, Puerto Ricans, Spanish Americans, and American Indians most directly because of the high color prejudice in the society. But "style discrimination" operates generally against the poor, regardless of color.

Opportunities are mediated by gatekeepers--those who have direct control of access such as personnel or employment officers, real estate agents, credit managers, training program selectors, school admission officers, etc. The gatekeeper makes a utility judgment about an applicant's risk: What are the chances that this applicant will utilize the opportunity to the benefit of whatever institution the gatekeeper represents and how does he compare with other applicants? The gatekeeper is usually middle class and uses a middle-class reference group as the basis for his judgments. Style discrimination involves the criteria employed by the gatekeeper in judging applicants. There are both subjective and objective standards which discriminate against the poor.

The poor often have language or dialect differences, differences in clothing, grooming, and personal mannerisms, different family experiences, and social experience different from those of the middle class, such as seeing current films, belonging to civic organizations, or conforming to the patterns and mores of suburban life. In the absence of objective measures, the poor person appears to the gatekeeper quite different from middle-class reference models. The poor person tends to be judged a poorer risk.

Objective criteria may support the tendency to style discrimination rather than correct it. Character indicators such as stability of past employment, residence, and family life are not appropriate for low-income situations. Credit--no longer based on a personal reference from the minister or priest--is now generally contingent on stable income, bank account, and past credit. These objective measures discriminate against the poor. Intelligence, aptitude, and personality tests are often standardized on middle-class or stable working-class populations; their norms may consequently discriminate against the poor in ways irrelevant to the job or educational opportunity in question. Whenever the society has limited opportunities and an oversupply of qualified applicants, then subjective criteria or irrational rationing devices have maximum play. Legal regulation of race discrimination is possible, but there is no such measure on which to outlaw style discrimination. And in neither case is enforcement effective, except where the state imposes quotas or positive standards which essentially replace the discretionary power of the gatekeeper by legislative fiat.

Style discrimination operates against the poor also in restricting their latitude of action. They are less apt to get the benefit of the doubt. Policemen treat them with more suspicion; in interpersonal conflict, antagonists are more apt to press charges; landlords are more prone to evictions; creditors are more apt to invoke wage garnishments or repossession of goods; and public agencies are more rigid in the application of regulations. Employers, if forced to cut back on employment, will be more apt to fire the poor person; they are less likely to have personal rapport with the poor person or to see him fitting in as well as more affluent co-workers. Not only are there fewer doors open, but the poor man has more people looking over his shoulder ready to slam shut those few which are open.

(2) Exploitation. The restricted opportunities available to the poor mean that poor people have few alternatives and that, therefore, the people who control the available opportunities have tremendous power. This power exists in any unregulated market characterized by few sellers and many non-organized buyers. In the markets for consumer goods, housing, loans, and jobs, it is often used to exploit or cheat the poor. Loan sharks, shyster merchants, spot labor operators, slum landlords, sweat shop and large farm employers mediate much of the economic relation between the poor and the goods and services of the larger society--and take a maximum profit cut in the process. Furthermore, since dealing with poor people does not confer status among the affluent (except in some homogeneous ethnic communities), money tends to be a prime motivator. This leads to selecting brokers for the poor who are more oriented to personal economic gain and less responsive to social values of "fair play," "a just price," and respect for the other guy. Compared with the middle class, the poor are paid less for equivalent work, are charged more for equal (or lower) quality goods, and pay more for credit--a poor man's dollar costs him more and buys him less. This is the modern poor tax.

There is, however, virtually no public regulation of rents, prices and quality control, credit charges, low wages, temporary employment agencies, deceptive packaging, misrepresented contracts, and so forth. Recent attempts at such regulation draw out the full force of opposition interests: loan associations, retail merchants and manufacturers' associations, and real estate boards. These groups are highly organized and have close working relations with political leadership. In the contest over the use of public power to interfere with the natural valuing process of the market, they have a tremendous advantage over the unorganized underclass.

This "legal" economic exploitation is only one facet of the problem. The poor are particularly subject to the predations of gamblers, drug peddlers, con-men, and other criminal extortionists. And they are more subject to illegal business practices such as short-changing, "heavy" scales, and repossession without due compensation. The police give relatively little attention to these criminal activities in poor neighborhoods, compared, for instance, to their protection of middle-class or well-to-do areas. And occasionally there are even informal working relations established between the local police and organized crime in low-income areas. Yet, at the same time, the poor have the least understanding of their rights and are least able to secure legal defense of their interests.

(3) Deficient community and professional services. Jobs, while crucial to increasing income, are not the only social facility important in mobility. The availability of normal community and professional services is also essential. Poor people tend to be provided with inadequate community services by the local government: police protection, garbage collection, street and sidewalk repair, parks, play and recreation areas, building inspection, health and housing code enforcement, and so forth. Furthermore, the quality of service provided is often inferior or inappropriate. Police are frequently arbitrary and repressive. Housing inspection is perfunctory, and landlords often dominate the housing courts. Public building investment, particularly in urban slum areas, is minimal ("play streets" rather than community centers and parks with equipment). The official attitude often appears to be: Why waste the money when the area will be torn down soon anyway?

The broad consequence of deficient services is a deterioration of neighborhood living conditions. The unresponsiveness of official or routine city channels to complaints or demands for service gives rise to influence peddlers and political machines on the one hand and a cynical withdrawal from citizenship on the other.

The causes of inadequate services are several: First, deteriorated living conditions involve greater maintenance costs, and therefore a greater need and demand for services. Per capita service expenditure in low-income areas tends to be greater than elsewhere, a fact often noted when people observe that "poverty costs money." Second, middle-class civil servants don't like to deal with poor people, are less sensitive to their needs, and more inclined to assume that perfunctory or minimal services are adequate. Third, local governments are generally starved for funds; they don't have the money for the personnel and capital improvements needed to provide increased services. Fourth, the allocation of resources and distribution of services are responsive to political pressure and to the distribution of the local tax base. Service priorities are given to the high-tax, high revenue-producing, politically well-organized areas of the city: the central business district, middle- and upper-income neighborhoods. Standards are maintained in these areas first, before added services are made available in low-income or blighted neighborhoods.

Inadequate education facilities are a major poverty-sustaining deficiency in community services. Schools in low-income areas are older, more overcrowded, more poorly equipped, and often even unsafe. Teachers, handicapped both by middle-class background and bias in their training, are not given special education in understanding, communicating with, and drawing out the creativity of lower-class children. Pre-school nursery programs, recognized as necessary educational preparation for low-income children, are also underfinanced and in short supply.

Deficiencies in community services mean that the living environment of the poor is not conducive to individual or collective mobility. But there are deficiencies also in the availability of professional services: lawyers, doctors, psychiatric counselors, social workers, vocational and special education workers, etc. Poor people are less able to find qualified assistance to deal with stress and to protect themselves from a deteriorating life situation. Also, they are less able to take advantage of many opportunities that do exist because they lack the necessary professional guidance.

Private professionals, operating on a fee-for-service basis, tend to follow middle-class and high-fee clients to the suburbs. Private charities and community chest organizations have also tended to concentrate their services on the easier-to-serve middle class or upwardly mobile groups. Those professionals who remain to serve the poor, either because of idealism or lesser qualifications, are overworked and in over-demand. Many professional services tend, consequently, to be shifted to public agencies; but here, as with other public services, adequate financing is not available.

The trend in professionalization of public services leads to specialization, restricted flexibility, and increased social distance from the people receiving the services. While professionalization is desirable in many ways and can improve services, it has often been combined with a bureaucratization of agencies, removing the upper levels from contact with the problems and human needs they are aiding, and increasing staff time away from clients and toward non-service functions such as reporting, accounting, and attending conferences.

In sum, the poor receive the least benefit from the public services of their communities, and they have the least access to adequate private services. This means not only that they have more difficulty in exercising their legal rights or getting adequate health care, but that they lose the advantage of professional aid available to the affluent in taking advantage of potential opportunities or coping with personal or family problems.

(4) Structured dependency. The way the poor are treated by public agencies often tends to transform social isolation into institutionalized dependency. Income maximums for eligibility to public housing and welfare services create a negative incentive to income improvement. Deduction of work income from social security or welfare payments makes it difficult to develop savings, or resources for investment in training, or a connection with the labor force that might grow into stable employment. The means tests create a psychological status of poverty and an acknowledged condition of dependency. And the income levels at which one becomes eligible for "socialized" public services, such as housing or health care, are so low that the recipient is effectively cut off from any dignified participation in the community at large.

It is not simply the structure of welfare payments that creates dependency. Given the public attitudes toward the poor, the welfare system serves a caretaker function, charged with enforcing the conventional morality of the affluent society. This makes it not only highly paternalistic, but also often ineffective in dealing with the life conditions and problems of the poor; for example, in giving birth control advice or adjusting to female-centered family patterns. Furthermore, welfare work, with its low wages and high personnel turnover, has a highly ambiguous status position in American society. For many welfare workers it becomes important to maintain a clear distance between themselves and the poor. When this is combined with the "client" concept and with the paternalism and pressures structured into the professional role, even the most sincere social worker tends to approach the poor in an authoritarian, condescending, and arbitrary manner. People who are treated in such a way soon enough take on the attributes of passivity, inertia, and distrust that justify the treatment.

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Such then is the interlocking web of poverty: people whose productive resources are limited, confronted with a situation of limited opportunities and further immobilized by social stigma, discrimination, and debilitating living conditions, few outside supports, and insufficient allocations from the public sector of the

economy to develop their resource potentials and to acknowledge, through adequate income maintenance, their social worth. To dismantle these barriers between the underclass and the affluent requires clearly more than the general growth of the affluent economy--even were that to produce jobs for the poor.

The Politics of Poverty

To understand the politics of poverty, the essential question is not what generates and sustains the poor, but who. Politics is not a contest of abstract social forces; it is a contest of individuals and organizations pursuing diverse goals of self-interest. In the case of poverty, the actions which create economic insecurity and which maintain an American underclass are actions which serve the interests of different groups among the affluent. These actions may be directed to perfectly "upright" goals--efficiency, profit, morality, cost-cutting, states' rights, status protection, patriotism, or the like--but in their consequences, they are responsible for the present nature of poverty in America. It should be clear that these "poverty-sustaining groups" are not conspiratorial extremists on the fringes of the society, but are major groups representing major forces of respectability.

Presumably, any political effort to change the situation of the underclass would affect the interests of these groups, and would call forth a political response. These groups are then the potential opposition to the elimination of poverty. The extent to which their opposition becomes actual and mobilized, and the form it takes, depends on the degree particular antipoverty programs threaten what they consider as their vital interests. To the extent that a program proposal produces no opposition, it will probably produce very little change.

What are these potential sources of opposition within the affluent community? Three types can be identified. They include local community power groups, national economic institutions, and national political power groups.

(1) Local community groups. There are certain groups which are the direct "oppressors" of the poor. These include many slum landlords, low-wage employers, and private day-labor employment services, loan sharks, and credit agencies which use their power position as economic brokers in the goods and services of the society to exploit, manipulate, or cheat poor people. There are other groups whose role is more to structure and to limit local opportunities for the poor: these include banks and financial institutions which may restrict the availability of credit, loans, and insurance to the poor and which limit the investment funds available for the improvement of poor neighborhoods; realtors and private developers who are largely responsible for maintaining patterns of residential segregation and for blocking expansion of public and low-rent housing and the rehabilitation of slum area neighborhoods. Other sources of potential opposition are local governments themselves, education and welfare agencies, and established political machines. In many cases, the entry of the poor into full citizenship would disrupt the political and patronage relations on which local leadership bases its power. Providing adequate services for the poor would involve reshaping many public agency programs and bringing in new kinds of staff and new techniques. This would encounter not only bureaucratic rigidity, but it would touch also the traditionalism and job status of many social service professionals. In some cases, local governments are committed to racial segregation or other restrictions of Negro opportunities. This may lead them directly to oppressive and brutal action against the poor, but more generally it leads such communities to oppose the development of trade union and neighborhood organizations of the low paid and to reject the whole range of federal, state, and local programs which could improve the educational opportunities and economic well-being of poor Negroes and poor whites alike.

(2) Major economic institutions. There are some groups which operate nationally or regionally and whose activities play important roles in determining the opportunities available for the poor and the economic value attached to the resources which they might contribute to productive employment. Large corporations, for instance, accelerate the rate of automation and contribute to the decrease in demand for less skilled labor, and they pursue other policies in response to market conditions involving plant location or shutdown, location of new investment, subcontracting, etc. If antipoverty programs attempted to assess these private groups for the costs of the economic and social consequences of their profit-motivated policies, or to regulate their action to minimize such consequences, then these groups would very likely join the opposition. Similarly, defense contractors, who now have claim to the major share of federal spending, would become opponents of the poor if antipoverty action involved reallocation of spending to activities from which they could not derive equivalent profits.

(3) National political groups. A variety of lobbying groups constitutes the chief political opposition to those poverty-reducing programs which deal directly with the economic situation of the poor. Thus, proposals for government creation of good jobs, for raising and extending minimum wage coverage, for increasing welfare, unemployment and social security payment to insure maintenance of adequate, non-poverty family income, for legislative extension of collective bargaining benefits and union organizing protection, for tax relief to low-income groups, for comprehensive health insurance, all call forth the opposition of powerful groups such as the U.S. Chamber of Commerce, the National Association of Manufacturers, the National Farm Bureau Federation, the American Medical Association, etc. These lobbies, and the economic and professional groups they represent--corporations, businessmen, large farmers, financial institutions, etc.--have long-established influence in the political party structure. Until recently they held the dominant voice in the Congress through a conservation coalition of northern Republicans and southern Dixiecrats.

There is no question that the political and economic power of these various levels of potential opposition, and the policies of self-interest which they pursue, are the major forces against which the elimination of poverty must contend. There is, however, another less-recognized force: those liberals and moderates, who see themselves as "friends and spokesmen of the poor," but who have a fear or dislike of social conflict or a pluralistic belief that all interests can be conciliated which leads them to avoid or confuse the basic issues of structural social change involved in changing the status of the underclass. In seeking to restrict demands to what is "politically feasible and prudent," they often castigate what appears to be "irresponsible action" and attempt to neutralize indigenous radical leadership among the poor. The effect is to keep the central issues out of public debate and to undermine democratic, mass-based movements through which the poor might articulate and advance their own interests.

It is against this array of political forces and political ideas that the poor and their allies among the affluent must organize, if the political economy of poverty is to be significantly changed.

The barriers to organization.

How is the organization of the poor possible? As an economic category, the poor are a minority both nationally and in most cities and towns. Where they constitute a numerical majority, as in some areas of the South and some central city areas, they are often made a political minority by disenfranchisement, gerrymandering, or malapportionment. There are other problems, though, which make organization and political unity among the poor even more difficult.

Class consciousness. A common economic income position is not, in itself, a basis for organization. Unless there is also a common social position, low income will not produce a common class identification. Without a range of shared perceptions of the society, and of causes of personal distress, there is not the necessary psychological unity for sustained collective action. The American poor, by and large, do not have a common social position. Divergences in life styles, age, stages in family life cycle, occupational history, and job aspiration make common action and perspective difficult. Negro-white racial prejudice and distrust greatly exacerbate this problem.*

The public attitudes toward the poor, welfare institutions, and prevailing social norms all tend to direct the aspirations of the underclass and to locate their success models in the society of the affluent. This mitigates against a moral rejection of the basic relation between the underclass and the wider society.

* The problem of class consciousness exists more for whites than for Negroes. Negroes have a shared experience of negritude and of discrimination. A moral rejection or total alienation from white society is very common, and it is relatively easy for Negroes to identify the "enemy forces" in the "white power structure" which operate against them. Sections of the Negro movement have become quite clear in expressing their common interests with the white poor and their common victimization by the same social forces and power groups. In places where poor whites have become organized, the race issue is much less divisive than might be expected. Also, as the poor have become clustered in crowded urban neighborhoods with little mobility opportunity, their differences have become more and more subordinated to that common social position. This has become the basis for community organization around a common social experience.

When coupled with the complicated and diverse experiences which different groups among the poor have with the institutions of the affluent society, it is difficult to develop a sense of the "common enemy" important in the consolidation of social movements.

Diffusion of demands. Given that the poor do not have a common social experience and that the economy has a variety of poverty roles, the needs of different groups among the poor in any one place are diverse: jobs or better wages or unions or housing or education or nondiscrimination or community services, and various combinations of these. They reflect grievances against a whole range of interests in the affluent community. If individual groups among the poor press their demands separately and in isolation, then insufficient political and social force is mobilized to ameliorate more than the most limited grievances. If, however, an attempt is made to coordinate these demands and to form a coalition of the poor, this tends to unify the affected interests of the affluent into a powerful opposition coalition. On the one hand, the wider the range of demands, the more the opposition can structure public perception of the movement as an attack on the whole social system and a "threat to the basic principles of our way of life." And, on the other hand, a coalition of the poor, if based only on immediate needs, is inherently unstable, since ameliorative concessions to one or another constituent group tend to fragment the coalition.

Furthermore, the day-to-day problems of the poor vary from situation to situation, for instance, among migrant workers, urban Negro ghettos, subsistence farms, low-wage white neighborhoods, depressed communities, and so forth. Immediate issues among these different groups have a very wide range of differential salience; they do not serve to give organizational focus or psychological unity to a national or even regional movement of the poor. However, all-embracing issues, like full employment, national planning, and comprehensive welfare, are abstract, hard to organize around, and hard to win the kinds of immediate, small, local victories that are essential in building and sustaining a social movement.

Political psychology. Beyond the problem of issues, there is the problem of the human energy required for sustained political activity. Middle-class organizations can be maintained by volunteers who put in long evenings and weekends for the "cause." They do not suffer the physical and emotional exhaustion which comes from the deficient diet, hard work, crowded living, and continued frustration of poverty. The volunteer movement is only imperfectly realizable among the poor.

The pressures of poverty contribute also to privatism--the search for a round of activities that is stable, predictable, and productive of some enjoyment. Sociability with friends or church brethren, a hobby, puttering with the car, or watching television may fill a person's "free time" and provide vital emotional balance which he is understandably loath to give up for a distant, unfamiliar, and even improbable social objective.

Added to this is the distrust of collective action which the American ideology continually reinforces. The tough-minded independence of rural and ethnic stock combines with a traditional view of mobility's being a matter of individualism, competition, and hard work. Poverty is more apt to be perceived by the poor as a matter of bad luck than a malfunction of the system.

Furthermore, being in a political organization requires that the poor person confront the fact of his poverty. Given the prevailing social judgment which equates poverty with personal failure and inferior social worth, it is not surprising that many poor people should refuse to acknowledge--as a matter of pride--this elemental fact of their existence.

Intimidation. And, if pride can be redirected, fear still remains. The poor are highly sensitive to the inordinate power which the agencies of the affluent society have over their lives. Getting out of line or being pegged as a troublemaker often means reprisals from the welfare agency, unemployment office, housing authority, or police. Or it might mean eviction by the landlord, loss of job, foreclosure of mortgage, or denial of routine credit at the neighborhood stores. This experience is too common in voter registration drives, union organizing, rent strikes, or even making an "innocent" complaint, for its lesson to be lost on the poor.

Organizational experience and resources. Most organizational experience of the poor is in small groups, rarely involving more than a couple dozen people. The complexities of large-scale political organization--committee structure, managing diverse demands, delegated responsibilities, and bureaucratic coordination--all have little precedent in the poor person's experience. Political organization also costs money for rent,

telephone, even minimal salaries, leaflets, newspaper and television advertising, and so forth. While donations from the people themselves may suffice during the initial stages of organization, in any full-scale campaign the local resource base is likely to be inadequate. After all, the poor are poor. And the opposition always has more money, more staff, and easier access to communication media.

Limited commitment of allies. A further problem confronts attempts by the poor to build political organizations to advance their own interests. The potential allies of the poor have their interests too and, when a coalition is built around limited issues and immediate demands, there may well develop an internal conflict among allies. For instance, middle-class liberals enthusiastically support school integration and this is a clear area around which Negro poor can organize a coalition with the affluent. But, as the demand is pressed, it may appear that integration threatens the quality of education for middle-class children as, for instance, with the school busing issue. Support then turns to dissension and outrage. Yet, to deepen the demand, in this case by calling for quality education for all, raises more complex issues, ones that are harder to organize around, and in which victories are less clear. More fundamentally, though, it touches a greater number of potential opposition interests (school administrations, curriculum committees, teachers and teacher-training programs, local taxpayers, federal aid advocates and opponents, etc.), and it allows opponents to employ a greater variety of bureaucratic delaying tactics which dissipate the force of the coalition. Conflicts of interest within a coalition may also develop when association with a militant indigenous group threatens an ally's respectability and established relations with community leaders.

"Alliance" between the poor and labor unions provides a more basic illustration of this problem. Organized labor on the national level is generally committed to a broad national program of job creation, income maintenance, and improved community services. But the political program of labor is not one of grass roots organization and involvement; it is handled primarily from union headquarters and centers on legislative lobbying and periodic electoral action. On the local level (where the poor people live) the union acts primarily to protect the interests of its members--processing grievances, enforcing the job security provisions of the contract, and engaging in collective bargaining with management. For union members, the poor may seem more like potential job competitors than allies. Effective union support for the poor would require a change in union organization relationships--with the union local becoming a base for membership and community education, for political action, and for organizing on a neighborhood basis. It might also involve organizing "general labor unions" on city or metropolitan labor market bases and using the bargaining position of skilled and organized workers to improve the working conditions of the unskilled. But these changes would raise substantial problems of internal union organization and external jurisdiction and power relations. National union leadership groups have not yet been willing to engage these issues in order to support the position of poor and unorganized workers.

Co-optation. The interests of the federal government often converge with those of local community leadership in attempting to co-opt potentially radical and politically insurgent movements among the poor. The process of co-optation draws on the division, in a social movement, between the leadership and the mass. It is an attempt to institutionalize social conflict which seeks to neutralize or isolate militant leadership and to pacify the mass.* The goal is not to destroy social movements but rather to facilitate changes desired by or tolerable to community leadership and to direct social energy in "responsible" and nondisruptive ways.

Co-optation as an operating strategy seeks to discredit militant leadership who insist on maintaining a high level of mass action and mass involvement in determining the direction of the movement. It seeks to elevate and "buy off" less militant leadership by giving them status in official advisory or other "consensus groups" dominated by community leaders. It seeks to "assimilate" and divide radical demands by making relatively minor or symbolic concessions, though with a great deal of rhetorical flourish, and setting up limited programs controlled by the non-poor and publicly invested with the job of making "continued progress." And it seeks to undermine the spontaneity and mass character of the movement by creating bureaucratic, energy-dissipating channels of problem solving. The great advantage held by community leadership

* Institutionalizing social conflict is not undesirable in itself. However, when it serves to block an otherwise unorganized constituency from developing and articulating common concerns and to exclude them from participation in decision-making, then it functions, objectively, as an anti-democratic means of suppressing debate and social change.

is that they have the power to deliver on "concessions" and generally to set the terms for implementing concessions. They also generally have greater control of communication channels, even to the poor, and so can set the language and symbols in which the issues of conflict are widely perceived. If militant leadership resists concessions so as to maintain more radical demands, it runs the risk of isolating itself and losing the support of its base.

If the poor should fail?

These several factors are the principal barriers which limit ability of the poor to press substantial demands against those institutions in the affluent society which generate or sustain their poverty. They are the principal barriers against the organization of the poor to define the priorities in a social program to remedy poverty. Without such an organization and movement of the poor, it is likely that the initiative in the current war on poverty will lie, on the community level, with groups having major interest in existing institutional relations, and on the national level, with people whose political responsibility is to powerful economic and professional groups among the affluent rather than to the poor.

If this becomes the case, it is predictable that antipoverty efforts will have several characteristics:

(1) They will be coordinated with programs designed to advance and protect the position of existing community leadership. This will involve centralization of fiscal control in established governmental units, utilization of a patronage principle to staff antipoverty programs with supporters of established community groups, and using the program to "co-opt" indigenous leadership and undercut the support of political opponents in low-income areas. Nationally, antipoverty programs will continue to concentrate on the "aggregate demand route to full employment"--a "trickle down" policy which distributes its primary benefits to the affluent.

(2) Antipoverty action will concentrate on aiding the poor through individual treatment and the "sponsored mobility" of the most aggressive and "able" of the poor into the existing structure of employment, housing, and status opportunities. There will be minimal effort to restructure these opportunities through various forms of regulation and planning, e. g. , subsidizing jobs to fit the talents of the poor, renovating the slums and building livable public housing communities, legislating a minimum wage adequate for non-poverty living, etc. Major effort will be devoted to education and counseling and improved socialization techniques to facilitate the adjustment of the most responsive of the poor.

(3) To those unresponsive to education, training, and socialization efforts, these programs will improve welfare services in order to prevent dire hardship and gross injustice. The dependency relation, however, will be preserved and even increased by extending the range of bureaucratic and manipulative agencies concerned with helping the poor, while restricting the voice of the poor in the administration of these agencies. Relatively little effort will be made to restructure services so as to equip their "clients" for independent, politically active (and possible disruptive) citizenship roles.

(4) Primarily economic considerations will guide the cost-benefit evaluations of programs. The goal of full employment for the poor will be gradually abandoned as requiring too fundamental a restructuring and regulation of the economy and one where the potential productive contribution of the poor would not have sufficient profit value for private employers. Increasing concentration will be put on income supports for the poor so that their one economically important function, consuming the goods and services of private industry, can be maintained.

(5) The programs will be used to regulate irresponsible local groups whose exploitation of the poor is particularly callous and of little benefit to the wider economy. Thus, the grosser abuses of slum landlords, loan sharks and merchants, low-wage employers, and arbitrary police and welfare practices will be restricted. Grievances of the poor will be channeled against these "scapegoat" groups. Government support of these indigenous protests will be one of the means of co-opting potentially insurgent organizations of the poor.

1984 for the underclass. A poverty program of this sort would serve, with benevolence and paternalism, to rationalize the division between the affluent and the underclass. The demand for workers would continue to be determined by the same profit and economic efficiency processes, but the labor supply reservoir of the underclass would be better utilized to fill that demand. Their one positive economic function as consumers of private business production would be supported by a complex of income maintenance policies. Those for whom there are not jobs would be maintained in a position of dependency and political disorganization, but

the most extreme forms of exploitation would be mitigated and improved services would increase physical well-being.

Toward an alternative. While an antipoverty effort which neither includes the poor in its direction nor seeks major economic change does seem possible and even probable, there are potentialities and indications that the poor might be able to organize and exert significant power in a "real" war against poverty. To describe the range of such impulses toward an alternative is not to suggest an optimism that they will, in practice, be able to coalesce into a successful political force. It is only to suggest some of the chief forms through which the poor and their partisans are seeking changes in the American political economy and in the class structure of which poverty is a part. The success of their efforts will be determined in the day-to-day flux of political conflict, although there is no doubt that they will be influenced by the support or opposition which they find among the knowledgeable experts in the "antipoverty profession."

Movements of the poor.

Foremost among the legions of the poor is the Negro freedom movement. The earlier "civil rights" demands for social integration have been shifting to economic and political issues, both as the movement has developed a mass underclass base and as it has been stalemated in its demands for equal opportunity. The movement has also broadened from the middle south to the deep south and the northern urban areas.

Secondly, there have recently developed urban organizations of welfare recipients and unemployed workers, both white and Negro. The usual form of these neighborhood-based groups--built around block clubs, a "community union,"--or a federation of neighborhood organizations is to protest abuses by landlords and city agencies and to formulate long-range demands for improved schools, quality housing, good jobs or adequate income, and democratic participation in the government of the community. The rent strikes, boycotts, construction site sit-ins, and other direct action demonstrations are the work of these organizations in New York, Newark, Cleveland, Chicago, Oakland, Baltimore, and many other cities.

Regional organizations of the poor have also begun in depressed areas such as Appalachia and Mississippi. These groups are geared to relief of immediate distress, mass organization for political power, and comprehensive programs which address the needs of the poor by changing established institutions.

Finally, the urban "riots" which have increased in intensity and scope over the last several summers have both heightened the militance of existing organizations of the poor and created a greater propensity for organized social action among those previously uninvolved in neighborhood organization.

The development of the "Black Power" orientation in the Negro movement has been of great importance in clarifying and suggesting remedies to many of the problems which have limited the effectiveness of movements of the poor. These Negro militants identify the necessity of focusing demands, overcoming fear, and creating a new psychology of pride and assertiveness as a basis for organization. And they argue the necessity of building economic and political power where underclass groups live as the organizational foundation for pressing demands against the political economy of the affluent community. Furthermore, they recognize that before "coalition" is possible, the poor must have an independent organization through which they can, on the one hand, sustain their own interests against the greater political experience and sometimes counter-interests of their allies and, on the other hand, against the strategies of co-optation and fragmentation employed by their opponents. While the controversy about the black power rhetoric has received much publicity, its basic organizational message has gained wide acceptance among Negro activists. And it has, beyond the Negro movement, begun to provide an organizational model for other groups in the underclass and their allies. Thus in the last year, insurgencies have developed around slogans of "welfare power," "hillbilly power," and "student power."

The "War on Poverty" and the organization of the poor

The war on poverty is an attempt by the government to deal with a generally recognized social problem while paradoxically avoiding any of the direct remedies to that problem which might threaten powerful interests in the society. The program, as it is being implemented on the local level, appears to be functioning as an adjunct to the co-optation strategy. It does, however, introduce a number of new factors into the situation which expand the possibilities for the independent political organization of the poor.

First of all, the old principle of social revolution operates on the side of the poor: "Give people a little and they want more." As changes are made in the immediate conditions of some of the poor, and as the propaganda of the war on poverty penetrates the neighborhoods, reservations, and rural outposts of the poor,

their aspirations and their demands will increase. This may well happen more rapidly than new demands can be assimilated.

Secondly, the development of government-sponsored antipoverty community action programs has provided the poor with a neighborhood focus of organization. This has created a communication framework in some places which poor people have used, contrary to its intention, to raise substantive demands for social change and to organize against the oppressive aspects of major public and private agencies. On this basis, there is a possibility that the residential community might become an alternative to "plant togetherness" or a common social and economic position in building class consciousness.

Furthermore, the very notion of a war on poverty tends to shift a poor person's perception of his situation from individualistic to collectivistic terms. Instead of thinking of being poor as something private and shameful, it becomes a matter of being a victim of social processes that can be remedied by collective action.

In addition, the rhetoric of the antipoverty drive sanctions involvement of the poor in community action organizations. As these programs have begun, however, they have been formulated at high levels of city administration--often in secret--and the poor have been excluded from significant positions on their controlling boards. The legitimate attempts of the poor to gain representation in these local antipoverty groups have provided a focus for conflict between the poor and the established community leaders and also between the more and less militant spokesmen of the poor. And the nature of this focus is one where "legitimacy" is more usually on the side of the more militant leaders of the poor. Thus the war on poverty itself is providing the poor with a close-up window to the functioning of the power structure.

Finally, many social workers and teachers, especially when separated from the requirements of their agency roles, have a self-help, political action orientation. The war on poverty is providing them with a legitimate basis to challenge dependency-creating policies of their welfare administrations and school boards, and it is providing channels for them to act in the community apart from their professional roles. The progress of unionization among these professionals may further increase their ability to challenge and alter the policies of the public agencies they represent.

These contributions of the war on poverty give considerable aid to the possibilities of organizing the poor. This support is augmented by a great deal of youthful, middle-class idealism which has no economic interest tying it to the poverty-sustaining institutions. This is true, for instance, of returning Peace Corpsmen--some 50,000 of whom will have "graduated" by 1970 and who will be looking for domestic work--and of VISTA volunteers. It is also true of the university students seasoned in the civil rights movement who want to extend and deepen their activity for a better society. These young people will provide organizational skill, and they will be much less subject to the intimidation of local police and community power groups than are the indigenous poor.

Allies for reform beyond the underclass.

There are also reform groups among the affluent whose aims overlap and complement the interests of the poor, and which have begun to serve as allies of the poor, providing resources for independent insurgent organization and partners in local political reform coalitions. These include the following: labor unions concerned with improving wages, working conditions, and economic security, and with limiting the economic power of big business; intellectual reformers concerned variously with rationalizing the economy in the service of human needs, extending democracy, fighting exploitation, improving education, and exposing moral and institutional contradictions in our society; peace groups concerned with self-determination and solidarity with poor people around the world, with disarmament, and with economic conversion and resource reallocation to public, peacetime purposes; liberal churches concerned with translating into social reality the moral ideals of respect for human dignity, justice, equality, and the fullest opportunity for individual development; conservationists concerned with creating healthy, livable communities, eliminating private exploitation and waste of the public domain, and developing the diverse talents of all the people; and civil libertarians concerned with the abridgement of individual rights, extending the range of political controversy and dissent, and limiting the arbitrary authority of state and private bureaucracies.

On the political scene there are also potentialities. On the one hand, a small though outspoken "liberal bloc" in the Congress and in governmental circles is attempting to raise for public debate issues of major economic reform which do touch on the relation between the affluent and the underclass. Such issues include national planning for full employment, regulating automation, completing and making more adequate

the floor of welfare benefits for those unemployed or not in the labor force, expanding public services, income guarantees, tax reform, etc. On the other hand, an increasing, though still small, number of insurgent groups on the local level is turning to electoral politics as a means to press issues of system reform. Primary campaigns for party nomination as well as independent candidacies have introduced a range of issues into the electoral arena which previously lay outside the liberal political consensus. And, in some places, the power of local party machines has been challenged for the first time in years. These political currents provide a possibility for the coming together of the poor and other allied interest groups. The conflicts which they generate should serve both to increase the political literacy the public at large and to highlight the issues which divide the reform political movements, of which the organizations of the poor are becoming a part, from established community leadership.

The politics of poverty involves a contest between the underclass and the affluent. To eliminate the roles of the underclass and to free the poor for socially valued lives and full citizenship will require changes in many important institutions of the affluent society. The next few years will determine which of two alternative courses America will take in dealing with its poor. The present movements of the poor may develop sufficient political power and strong enough coalitions with other reform groups to bring about fundamental changes in the valuing of human resources and the principles of income distribution. Or, instead, the poverty-generated barriers to political organization, when combined with governmental efforts to co-opt radical and independent movements, may produce a program of guided mobility and subsidized dependency which maintains intact the relations between the affluent and the underclass.

The struggle between these alternatives suggests that the next years will see two wars against poverty: one from the top down and the other fighting from the bottom up. The depth of the issues of the struggle will dramatize and expose to worldwide view the massiveness of the human discontent it has already begun to mobilize, and the potentially crippling social dislocation and threatening political power of the poor all insure that few Americans will be untouched by the approaching wars on economic and social inequality.