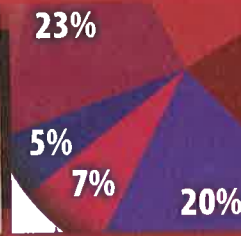


## networks

There's More Online!

- ✓ **CARTOON** An Unhealthy Situation
- ✓ **CHART** American Class Structure
- ✓ **GRAPH** Distribution of Poverty in the United States
- ✓ **GRAPH** The Federal Government Dollar—Where it Goes
- ✓ **MAP** Living in Poverty
- ✓ **SELF-CHECK QUIZ**



## LESSON 2

# Social Class and Poverty in America

**ESSENTIAL QUESTIONS** • What is “equality”? • To what extent are societies unequal?

### Reading HELPDESK



#### Academic Vocabulary

- **exclusive**
- **professional**

#### Content Vocabulary

- **class consciousness**
- **working poor**
- **underclass**
- **absolute poverty**
- **relative poverty**
- **feminization of poverty**

#### TAKING NOTES:

##### Key Ideas and Details

**ORGANIZING** As you read about social class in the United States, use a graphic organizer like the one below to identify the characteristics of each class.

Social Classes in the U.S.	
Upper Class	
Middle Class	
Working Class	
Working Poor	
Underclass	

## IT MATTERS BECAUSE

Sociologists have identified several social classes in the United States. They include the upper class, the middle class, the working class, the working poor, and the underclass.

## Class Consciousness

**GUIDING QUESTION** What is class consciousness, and does it exist in the United States?

Americans have always been aware of inequality, but they have never developed a strong sense of **class consciousness**—a sense of identification with the goals and interests of the members of a particular social class. When the United States was founded, its leaders placed a particular emphasis on equality. You will recall that the Declaration of Independence states “that all men are created equal, that they are endowed by their Creator with certain unalienable Rights, that among these are Life, Liberty and the pursuit of Happiness.”

In reality people were not equal and did not have equal opportunities to pursue happiness in the new nation. Americans, however, have long believed in individualism. Individualism stresses the economic and political independence of the individual in society. This belief puts greater attention on the individual rather than his or her social class.

In part because the American public has shown relatively little interest in social class, sociologists began to investigate inequality rather late. It was not until the 1920s that sociologists in the United States began systematically to identify social classes. Since that time, however, research on this subject has been plentiful. Early efforts to study stratification were mostly case studies of specific communities. Only relatively recently have attempts been made to describe the stratification of American society as a whole.

Since social classes are changeable and full of exceptions, any attempt to identify the social-class structure of American society is difficult. Nevertheless, sociologists have described some of the major classifications.

#### ✓ **READING PROGRESS CHECK**

**Explaining** Why is it difficult to study class in the United States?

# The Social Classes

**GUIDING QUESTION** *What are the social classes in the United States, and what are their characteristics?*

Sociologists recognize five main classes within the social structure of the United States. These classes are the upper class, the middle class, the working class, the working poor, and the underclass. Sociologists often discuss smaller divisions, or subclasses, within each class as well.

## The Upper Class

The upper class includes only 1 percent of the population and may be divided into the upper-upper class and the lower-upper class. At the top is the aristocracy. Its members represent the old-money families whose names appear in high society—Ford, Rockefeller, Vanderbilt, and du Pont, among others. The basis for membership in this most elite of clubs is heritage rather than accomplishments. Parents in this class send their children to the best private schools and universities. People in this group seldom marry outside their class.

People are in the lower-upper class more often because of achievement and earned income than because of birth and inherited wealth. Some have made fortunes running large corporations or investing in the stock market. Members of this class may actually be better off financially than members of the upper-upper class. Despite that, they often are not accepted into the most **exclusive** social circles because they do not have the same family tradition of being in the upper-upper class.

## The Middle Class

Most Americans think of themselves as middle class. In reality, though, only less than half of Americans fit this description. And most of these people are not in the upper-middle class.

The upper-middle class (14 percent of the population) is composed of those who have been successful in business, the professions, politics, and the military. Basically, this class is made up of individuals and families who benefited from the

**class consciousness**  
identification with the goals and interests of a social class

**exclusive** limited to possession, control, or use by a single individual or group

The upper class of the United States has access to the most exclusive luxuries.

### ► CRITICAL THINKING

**Synthesizing** To what else do you think the top 1 percent has access?





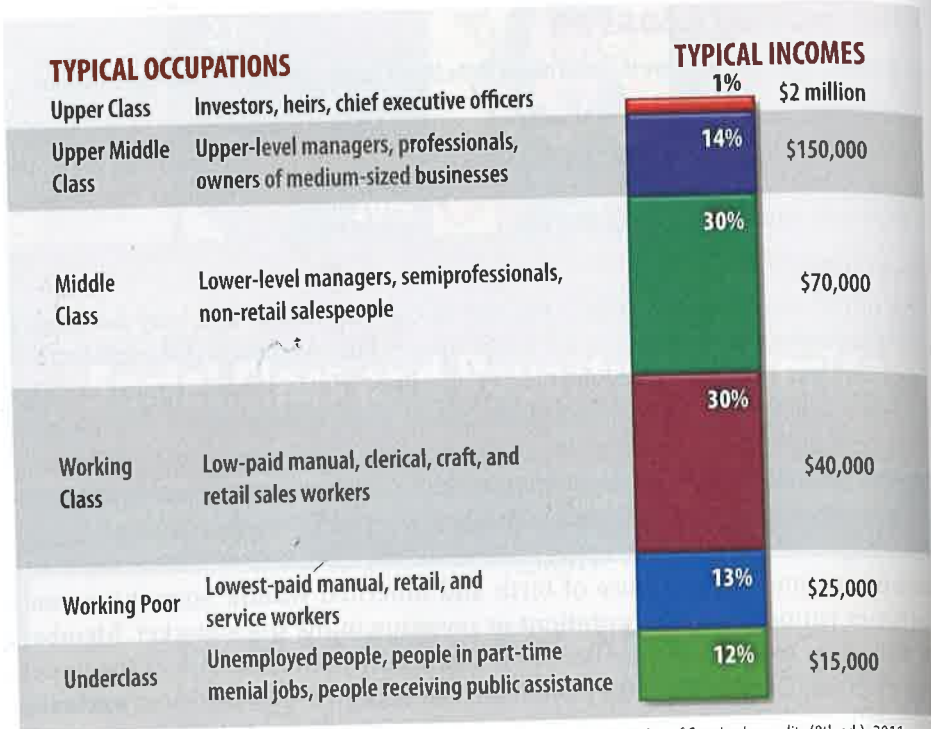
CHART >

**AMERICAN CLASS STRUCTURE**

This chart shows the five social classes sociologists identify in the United States along with their occupations and incomes. Although most Americans consider themselves middle class, the reality is far different.

▶ **CRITICAL THINKING**

- Analyzing** What percentage of Americans are living below the middle class? Above?
- Comparing and Contrasting** What is the income difference between the working poor and the middle class?



Source: Adapted from Dennis Gilbert, *The American Class Structure in an Age of Growing Inequality* (8th ed.), 2011.

**professional** relating to a job requiring specialized knowledge and academic preparation

tremendous corporate and **professional** expansion following World War II. Members of this class earn enough to live well and to save money. They are typically college educated. They have high educational and career goals for their children. Because of their advantages, those children have opportunities to reach those goals. They do not have national or international power, but they tend to be active in voluntary and political organizations in their communities.

The middle-middle class (30 percent of the population) is a very mixed bag. Its members include owners of small businesses and farms; independent professionals (small-town doctors and lawyers); other professionals (members of the clergy, teachers, nurses, firefighters, social workers, and police officers); lower-level managers; and some sales and clerical workers. Their household income level does not permit them to live as well as the upper-middle class. Many have only a high school education, although many have some college, and some have college degrees. Members of this class are interested in civic affairs. They participate in political activities less than the classes above them but more than either the working class or the lower class.

**The Working Class**

The working class (often referred to as the lower-middle class) comprises almost one-third of the population. Working-class people include roofers, delivery truck drivers, machine operators, and salespeople and clerical workers. Although some of these workers may earn more than some middle-class people, in general the economic resources of the working class are lower than those of the middle class.

Members of the working class have below-average income, and many have unstable employment. They generally lack health insurance and retirement benefits. The threat of unemployment or illness is real and haunting. Outside union activities, members of the working class have little opportunity to exercise power or participate in organizations. Members of the working class—even those with higher incomes—are not likely to enter the middle class.

## The Working Poor

The **working poor** (13 percent of the population) consists of people employed in low-skill jobs with the lowest pay. Its members are typically the lowest-level clerical workers, manual workers (laborers), and service workers (fast-food servers).

Lacking steady employment and receiving only low wages, the working poor do not earn enough to rise above the poverty line (\$22,314 for a family of four). The working poor tend not to belong to organizations or to participate in the political process. The struggle to survive consumes most of their time and energy, making such involvement impossible.

## The Underclass

The **underclass** (12 percent of the population) is composed of people who are usually unemployed and who come from families with a history of unemployment for generations. They either work in part-time menial jobs (unloading trucks, picking up litter) or are on public assistance. In addition to a lack of education and skills, many members of the underclass have other problems. Physical or mental disabilities are common among this group, and many are single mothers with little or no income.

The most common shared characteristic of the working poor and the underclass is a lack of skills to obtain jobs that pay enough to meet basic needs. There are many routes into these classes—birth, old age, loss of a marriage partner, lack of education or training, drug addiction or alcoholism, or physical or mental disability. There are, however, very few paths out.

### READING PROGRESS CHECK

**Identifying Central Issues** How can a person have a job yet remain poor?

**working poor** people employed in low-skill jobs with the lowest pay who do not earn enough to rise out of poverty

**underclass** people typically unemployed who come from families that have been poor for generations

Social class affects where and how people live.

### CRITICAL THINKING

**Analyzing Visuals** To what social class do you think this man belongs? Why?





## GRAPH >

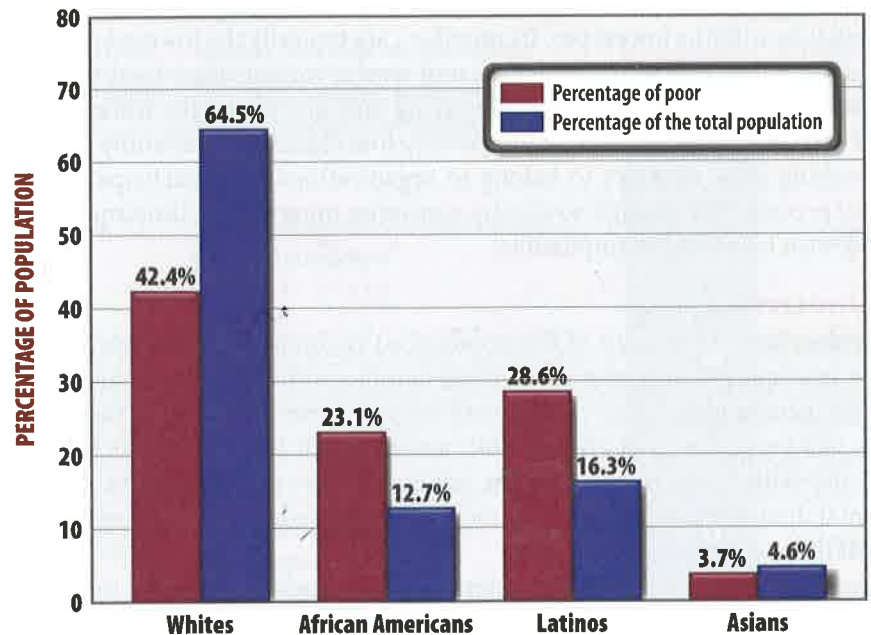
### DISTRIBUTION OF POVERTY IN THE UNITED STATES

Minority populations in the United States bear a disproportionate amount of the nation's poverty.

#### CRITICAL THINKING

- Analyzing** Which population makes up the largest percentage of the poor in the United States?
- Explaining** How would you describe poverty among the groups in terms of each group's poverty rate and overall share of the population?

### THE DISTRIBUTION OF POVERTY IN THE UNITED STATES



Source: U.S. Census Bureau, 2011.

**absolute poverty** the absence of enough money to secure life's necessities

**relative poverty** a measure of poverty based on the economic disparity between those at the bottom of a society and the rest of the society

## Poverty in the United States

**GUIDING QUESTION** Who are the poor in America?

Before trying to understand poverty in America, we need to understand what poverty is. There are two different ways of looking at poverty. The term **absolute poverty** means the absence of enough money to secure life's necessities—having enough food and a safe place to live. It is possible, however, to have the things required to remain alive and still be poor. We measure **relative poverty** by comparing the economic condition of those at the bottom of a society with that of other members of that society. According to this measure, the definition of poverty can vary. It would not, for example, be the same in India as in the United States. That is because the average income in India is much lower than that in the United States.

### Measuring Poverty in the United States

Poverty became a national political and social issue in the 1960s. More than fifty years later, poverty in the United States is still a problem. Historically, the United States government has measured poverty by setting an annual income level and considering people poor if their income is below that level. As noted earlier, in 2010 that figure was \$22,314 for a family of four.

Poverty is widespread in the United States. According to 2010 U.S. Census Bureau reports, the poor make up 15 percent of the American population, or about 46 million people. Minorities, people who live in female-headed households, children under 18 years of age, and people with disabilities make up the most disadvantaged groups living in the United States today.

Nearly 43 percent of the poor in America today are non-Latino white. The poverty rate for African Americans and Latinos is much higher than that for whites, however. The poverty rate for all whites is 9.9 percent; for African Americans and Latinos it is more than 25 percent. African Americans and Latinos together account for only about one-fourth of the total population, but they make up more than half of the poor population.

## Gender, Age, Disability, and Poverty

Beginning in the 1960s, changes in Americans' social lives brought about changes in their economic lives. Women and children began to make up a larger proportion of the poor. Sociologists refer to this trend as the **feminization of poverty**. There are several reasons women have a higher risk of being poor. In 2010, a woman earned only about \$.81 for every dollar earned by a man. Women with children find it more difficult to find and keep regular, long-term employment. A lack of good child-care facilities adds to the likelihood that they will not be able to continue working. As a result, the poverty rate for female-headed households is about 32 percent. This rate is double the poverty rate for male-headed households.

More children under 18 years of age live in female-headed households than live in male-headed households. As a result, poverty rates for women are linked to poverty rates for children. Despite being only one quarter of the population, children make up more than a third of the poor. Children under 18 suffer a poverty rate of 22 percent. For related children living within a female-headed household the rate is more than double the rate for all children—47 percent.

People with disabilities also experience a high poverty rate. The poverty rate for people with disabilities between the ages of 18 and 64 is almost 28 percent. This group is more than twice as likely to live in poverty as are nondisabled people in the same age group. In addition, people with severe disabilities are more likely to live in poverty than are those with less severe disabilities.

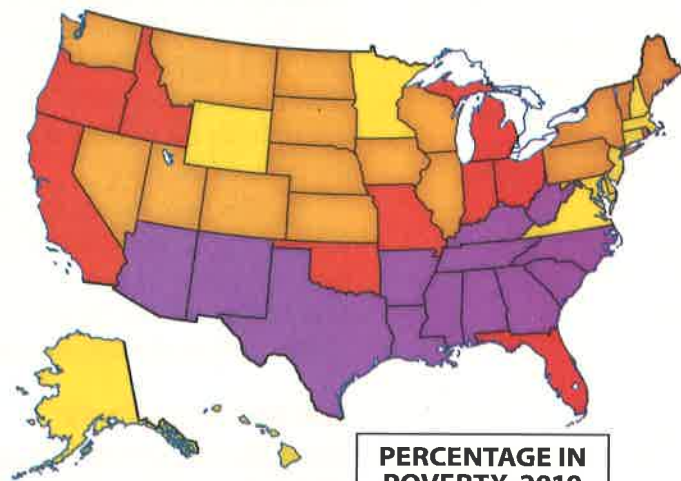
### feminization of poverty

a trend in U.S. society in which women and children make up an increasing proportion of the poor

## A Diverse America

### LIVING IN POVERTY

The United States government measures poverty using different thresholds each year, based on the income of individuals, the number of family members, and their ages. For example, in 2010, a family with two children was considered to be living in poverty if the annual household income was less than \$22,113. This map of the United States shows the percentage of the population by state who were living in poverty in 2010.



PERCENTAGE IN POVERTY, 2010 (total population)

SOURCE: U.S. Census Bureau, 2010.

### Geography Connection

- 1. Places and Regions** Which region has the lowest percentage of poverty? Which region has the highest percentage of poverty?
- 2. The Uses of Geography** How might a sociologist make best use of the data in this chart? Explain.
- 3. Environment and Society** What might be some reasons certain regions of the United States experience higher rates of poverty than others?

## CARTOON >

### AN UNHEALTHY SITUATION

People seeking employment often take job benefits into account as much as a job's wage or salary.

#### ▶ CRITICAL THINKING

- 1. Analyzing Visuals** Why does the woman joke that she might have a heart attack as a result of her job hunt?
- 2. Making Connections** Why is health insurance so important to the woman?



People with disabilities often face barriers to education and employment. These barriers work to lower their income. They may also have very high medical expenses, which eat away at the income they do earn. The resulting loss of social and economic status leads to a poor quality of life.

The news is less grim for Americans over the age of 64. Our nation's elders experience poverty at a rate of about 9 percent.

### Poverty and Health Care

Health care costs have been rising over the last few decades, and these rising costs cut into people's incomes. The poor and elderly are especially hard hit. One study estimates that the poor spend more than 20 percent of their income on health care. Even people who have health insurance through an employer feel the burden. That happens because, as health care costs rise, employers pass the rising costs on to employees. If the impact of health care costs were considered when determining the poverty threshold, another 10 million people would be added to the ranks of the poor.

Studies have shown that health and poverty are connected: Poor people are less healthy. Access to health care is not the only issue. People with fewer resources have less access to nutritious foods. Junk food tends to be much less expensive than healthful food. People with low incomes tend to suffer more chronic illness, disease, and disabilities and die younger than more affluent Americans.

### The War on Poverty

Before the mid-1960s, fighting poverty was not a major goal of the federal government. Some programs, such as Social Security and the precursor to Aid to Families with Dependent Children (AFDC), had been enacted during the Great Depression. AFDC was a welfare program—a program to provide money or equivalent aid to eligible citizens. These measures did not usually reach the neediest citizens, however. Then in 1964, President Lyndon Johnson declared a so-called War on Poverty.

The philosophy behind the War on Poverty was to help poor people help themselves. President Johnson's predecessor, President John Kennedy, believed that poverty could be eliminated through self-improvement as opposed to temporary relief. Accordingly, almost 60 percent of the first poverty budget was earmarked for youth opportunity programs and work experience programs (work and job-training programs designed for welfare recipients and unemployed fathers).



Not all the programs were as successful as predicted. Indeed, some came under severe criticism. Some critics charged that these programs actually encouraged people to become dependent on government assistance or to take unfair advantage of it instead of using the help for temporary relief.

### Welfare Reform

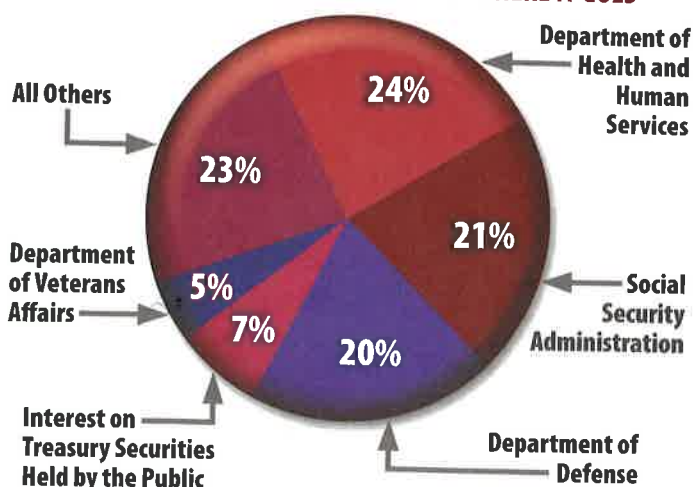
A push for welfare reform ended Aid to Families with Dependent Children (AFDC). Legislation enacted in 1996 replaced AFDC with a program known as Temporary Assistance for Needy Families (TANF). The TANF program limits the amount of time that those who are able to work can receive welfare payments. The law has three major elements: It reduces welfare spending, it increases state and local powers to oversee welfare rules, and it adds new restrictions on welfare eligibility. For example, benefits to children of unmarried teenage mothers are denied unless the mothers remain in school and live with an adult. Able-bodied adults must find work within two years or lose cash aid.

The success of TANF is a subject of debate. According to the Administration of Children and Families, the government agency that administers TANF, welfare rolls have decreased substantially since the program went into effect. Critics argue, however, that the rolls have decreased but not the ranks of the poor. In addition, most of the people who left the welfare rolls could find only low-wage jobs in industries such as food service, home health care, and retail sales. In the early 2000s, an economic downturn caused many such jobs to disappear. At the same time, wages grew more slowly or actually fell. As a result, many of those who left the welfare rolls continue to live in or near poverty. Research suggests that the current emphasis of welfare reform on reducing the welfare rolls rather than on reducing poverty hampers the long-term economic well-being of the needy.

#### READING PROGRESS CHECK

**Identifying Central Issues** How are age and gender linked to poverty?

### THE FEDERAL GOVERNMENT DOLLAR—WHERE IT GOES



Source: Citizen's Guide to the 2011 Financial Report of the United States Government

#### GRAPH

### THE FEDERAL GOVERNMENT DOLLAR—WHERE IT GOES

This chart shows the major categories for federal spending.

#### CRITICAL THINKING

- Analyzing** Where do most federal dollars go?
- Speculating** What does this spending tell you about the government's approach to poverty?

## LESSON 2 REVIEW



### Reviewing Vocabulary

- Defining** What is *absolute poverty*?
- Explaining** How does *relative poverty* differ from *absolute poverty*?

### Using Your Notes

- Summarizing** Use your graphic organizer to summarize the class structure of the United States.

### Answering the Guiding Questions

- Identifying** What is class consciousness, and does it exist in the United States?

- Differentiating** What are the social classes in the United States, and what are their characteristics?

- Analyzing** Who are the poor in America?

### Writing Activity

- Argument** How do you think the development of class consciousness would affect the social stratification of the United States? Support your position by citing facts about social class in America.