

# SPENT PowerPoint Presentation Script

## Executive Summary

### Learning Outcomes

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As a result of participating in the SPENT virtual poverty simulation activity, students will be able to:

1. Define the poverty threshold;
2. Explain one or more root causes of poverty in the United States; and
3. Reflect on the impact of public policy on poverty in the United States.

### Description

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The SPENT Activity will last for approximately 60-90 minutes depending on how much time the presenter wants to spend on discussion. The presentation can be delivered in person or virtually, but we recommend that it be delivered at a synchronous meeting if delivered virtually. The components of the SPENT activity are as follows:

- 1. Introduction, SPENT simulation, and debrief (20-30 minutes)**

***Slides 1-5***

The presenter welcomes attendees and distributes the SPENT Simulation and Instructions Worksheet. After participants have completed the simulation, the presenter leads a debrief.

**Note:** *If students will be invited to participate in the Pre/Post-Test evaluating SPENT as a teaching tool, they should take the Pre-Test immediately prior to doing the SPENT virtual simulation. The presenter should allot about 8-10 minutes each for the Pre-Test and Post-Test.*

- 2. Presentation about poverty (30-45 minutes)**

***Slides 6-19***

After completing the SPENT simulation and reflecting with peers about their experiences, participants need additional information about poverty and realistic solutions to reduce poverty in the United States.

- 3. Closing (1-5 minutes)**

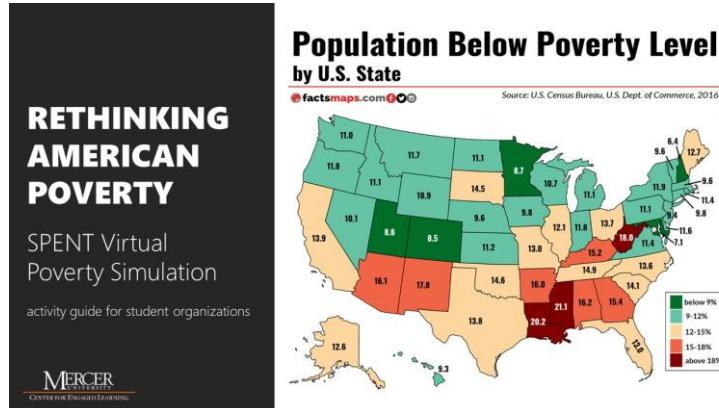
***Slide 20***

The final slide includes a list of organizations that do research or advocacy in areas relating to poverty. The presenter can leave this slide up for participants to review as the presentation closes.

### Required Supplemental Documents

- **SPENT Activity Presentation**
- **SPENT Simulation Worksheet**

## Slide 1



### INSTRUCTIONS:

- Be sure to review the slides and practice before you begin the presentation. The first time you see these slides should not be at the start of the SPENT activity.
- The first half of the presentation (doing the SPENT simulation) takes between 30-40 minutes depending on how long discussion lasts (see [slide 5](#)) and whether you want to invite students to do the SPENT Pre/Post Test (see [slides 2](#) and [4](#)).
- The second half of the presentation (explaining how poverty is measured, who is affected, the vulnerability of many middle class families to financial distress) can take as little as 10-12 minutes or as much as 20-30 minutes, depending on how much time you spend with the information.
- As you prepare to lead this activity, read the instructions and suggested script in the slide notes for each slide to help you prepare and plan.

### SUGGESTED SCRIPT:

Welcome to the SPENT Virtual Poverty Simulation. The goal of this activity is to educate you about what poverty is – how it's defined and measured and by whom – who it affects, and why it persists. We're going to start today with a brief activity, the SPENT Virtual Poverty simulation, which is an online simulation about surviving poverty and homelessness. SPENT was created by an advertising agency in North Carolina, McKinney, for one of its clients, Urban Ministries of Durham. The simulation, which has been played by millions of people in over 196 countries across the globe, asks players to make the decisions necessary to live for one month on \$1,000.

## Slide 2

### SPENT Pre-Test (Optional)

The Center for Engaged Learning is running an IRB-approved study to evaluate SPENT as a teaching tool.

- The study asks participants to take a Pre-Test before completing the SPENT activity and a Post-Test after completing SPENT.
- If you would like to participate, please use the following link or scan the QR code to take the Pre-Test.



[https://merceruniversity.co1.qualtrics.com/jfe/form/SV\\_a30BRUjFIZRPqo8](https://merceruniversity.co1.qualtrics.com/jfe/form/SV_a30BRUjFIZRPqo8)



### INSTRUCTIONS:

If you want to give students time to do the pre-test, allow for 5-10 minutes for them to take the pre-test on their computers or mobile devices before moving to the next slide. You could also have this option up for students to do while they wait for you to begin the presentation/activity.

## Slide 3

Go to PlaySpent.org and do the simulation.

As you do the simulation, take note of the following:

- Which job did you choose and why?
- Did you purchase health insurance?
- What did you buy at the grocery store, and how many of each item? What was the total cost?
- Write down any choices you had to make that surprised you or were things you haven't considered before.



### INSTRUCTIONS:

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Distribute copies of the "SPENT Activity Instructions" handout to students. This handout is available electronically as part of this SPENT Activity Packet.

### SUGGESTED SCRIPT:

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We're going to start by doing the SPENT simulation. As you go through the simulation, be sure to make a note of the following things:

- Which job did you choose and why?
- Did you purchase health insurance? Why or why not?
- What did you buy at the grocery store, and how many of each item? What was the total cost?
- Write down any choices you had to make that surprised you or were things you haven't considered before.

Please use your laptop, phone, or tablet to access the internet and go to [playspent.org](https://playspent.org). From there, you can follow the instructions. When you're done, if you want to complete the Post-Test, you can scan the QR code (move to next slide so participants can scan the QR code when they're finished with SPENT).

## Slide 4

### SPENT Post-Test (Optional)

When you have finished the simulation, you have can sit quietly or complete the optional SPENT Post-Test by using the following link or scanning the QR code.

[https://merceruniversity.co1.qualtrics.com/jfe/form/SV\\_5bW5tByWZinFoLb](https://merceruniversity.co1.qualtrics.com/jfe/form/SV_5bW5tByWZinFoLb)



### INSTRUCTIONS:

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If you want to give students time to do the post-test, allow for 5-10 minutes for them to take the post-test on their computers or mobile devices before moving to the next slide.

## Slide 5

How was your experience?

1. Describe your experience in one word.
2. What kind of factors influenced your decision-making?
3. Did anything happen that surprised you? Explain.
4. What kinds of events happened that derailed your progress?
5. Did your attitude change throughout the simulation? Why or why not?
6. What insights or conclusions did you form about people who experience poverty?



### INSTRUCTIONS:

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Depending on the size of the group, you can have students break out into smaller groups or stay in a large group to discuss their experience with SPENT. Use these questions to guide the conversation.

Note: If you plan to break out into small groups (whether in person or online), be sure you have assigned a facilitator for each group to ask the questions and lead the conversation, then do a large group debrief to share some major takeaways.

### SUGGESTED SCRIPT:

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Let's take a few minutes to reflect on our experiences. On the screen is a list of questions we're going to use to guide our conversation. When we're done, we'll come back and learn a little more about systemic poverty in the United States.

## Slide 6

Poverty is defined by a government-set income threshold.

Source: <https://aspe.hhs.gov/poverty-guidelines>

2020 POVERTY GUIDELINES FOR THE 48 CONTIGUOUS STATES AND D.C.	
PERSONS IN FAMILY/HOUSEHOLD	POVERTY GUIDELINE
1	\$12,760
2	\$17,240
3	\$21,720
4	\$26,200
5	\$30,680
6	\$35,160
7	\$39,640
8	\$44,120
For families/households with more than 8 persons, add \$4,480 for each additional person.	

Federal Minimum Wage: \$7.25/hour  
Annual income on federal minimum wage: \$15,080

GA Minimum Wage: \$5.15/hour  
Annual income on GA minimum wage: \$10,712

### SUGGESTED SCRIPT:

Now that we've had a bit of exposure to the challenges facing people who experience poverty every day, let's talk about what poverty is. A lot of times we hear the word "poverty" thrown around without a true understanding of what it means or how it happens. Although there are a lot of contributing factors that perpetuate the cycle of poverty at the public policy level, we want to focus today on very basic ideas about income.

It's determined by what's called the poverty threshold or poverty guideline, which is basically the income cutoff. The poverty threshold is updated every year by the U.S. Census bureau, and it's a major factor for determining whether individuals and families can qualify for public assistance for all types of expenses ranging from food, housing, health insurance, child care, job training, and financial aid for college.

So the federal minimum wage right now is \$7.25 an hour. And actually, not many people know this, but in Georgia, the state minimum wage is \$5.15 per hour. Most jobs are subject to federal minimum wage, but there are still some industries that can get away with paying the lower Georgia minimum wage. If you want to know which jobs get paid the state minimum wage, you can google it.

So a person who works full-time – that's 40 hours per week – at federal minimum wage will earn \$15,080 *before* tax. And that is assuming they work full time each week for all 52 weeks in a year – no vacation, no sick days. Now look at this 2020 poverty guidelines chart. Let's assume this is a single parent with one child. Where do they fall? What about a two-parent family, both parents working full-time minimum wage and with a household income of \$30,160, and 2 kids. Where do they fall?

Go ahead and lock some of these numbers in your brain.

## Slide 7



### SUGGESTED SCRIPT:

In the United States, 10.5% of our population right now experiences poverty. That's 34 million people nationally. But it's worse for children. For all children under the age of 18 in the U.S., 14% of them are experiencing poverty. And among our population of seniors aged 65 and older, 9% of them are living at or below the poverty threshold.

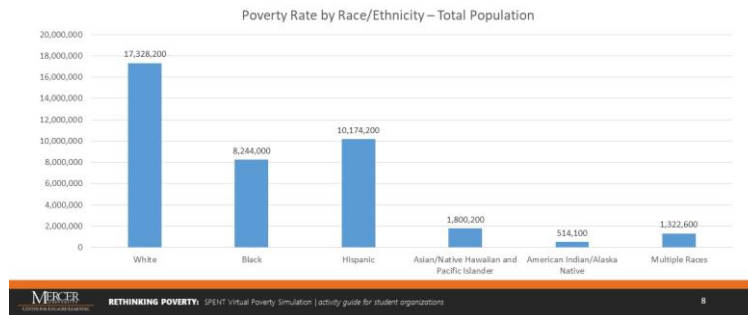
But remember, these numbers are just about the people whose incomes fall at or below the poverty threshold. It does not count the number of people who fall into the gap between the poverty threshold and a living wage. But we'll talk about that more later.



## Slide 8

Although white people make up the highest percentage of total people experiencing poverty in the U.S. . . .

Source: <https://www.pewresearch.org/race-ethnicity/2018/06/12/poverty-by-race-ethnicity/>



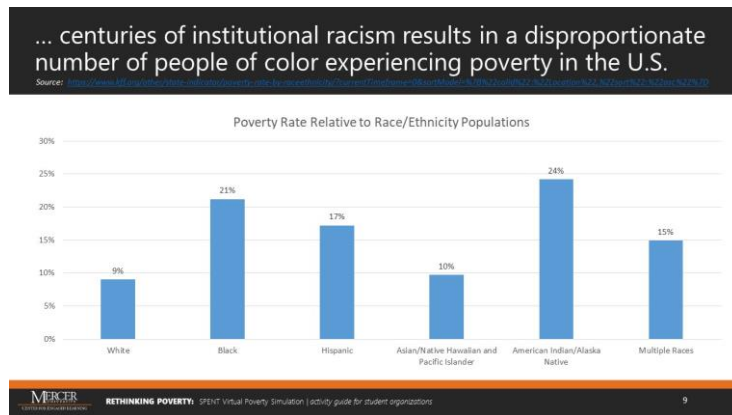
### SUGGESTED SCRIPT:

We can't talk about poverty in America without talking about institutional racism and systemic injustice. We won't have time to get into detail about this today – it's a complex topic that requires its own presentation – but we wanted to be sure to highlight this inequity so that you can pursue it further.

Take a look at this graph. This is the total number of people in the U.S. who are experiencing poverty, and it's divided out by racial and ethnic identities.

What do you notice about these numbers? How does what's represented here confirm or challenge messages you've heard about who is poor in America?

## Slide 9



### SUGGESTED SCRIPT:

Now take a look at this graph. This breaks out the percentage of people within a specific racial or ethnic identity who are experiencing poverty.

What do you notice about these numbers? How do they compare to the numbers in the previous slide? Remember that the national poverty rate is 10.5%.

Why are people in communities of color experiencing poverty at such high rates when compared with their white counterparts? One contributing factor is the racial wealth gap.

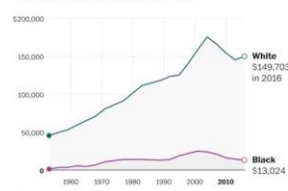
## Slide 10

The overall wealth gap is big, but the racial wealth gap is huge.  
Because racism.

Source: <https://www.washingtonpost.com/business/2020/09/09/economy-racial-wealth-gap/>

White wealth surges; black wealth stagnates

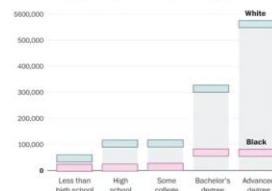
Median household wealth, adjusted for inflation



Source: Historical Survey of Consumer Finances via Federal Reserve Bank of Minneapolis and University of Bank economists Mark Kohn, Mark Schuller and others. Stated.  
THE WASHINGTON POST

At every education level, black wealth lags

Median household wealth by race and education level, 2016



Source: Federal Reserve.  
THE WASHINGTON POST

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### SUGGESTED SCRIPT:

You may have heard people talk about the wealth gap in the United States. It's also called wealth inequality, and it is the unequal distribution of assets among residents of the U.S. Wealth includes the value of homes, automobiles, personal valuables, businesses, savings, investments, and debts. It's different from income, because wealth is what you have, not what you earn.

Take a look at these two charts from a 2020 article in the Washington Post. In the chart on the left, we can see that on average, white families' wealth has grown significantly over the past 70 years. The average wealth of Black families, however, has hardly changed at all. And look at the chart on the right, which shows the wealth gap between white households and Black households based on educational attainment. Although wealth increases dramatically for white families as earners gain advanced degrees, it barely changes for black families. And this is important because families with less wealth are more vulnerable to financial distress – wealth equals a safety net for emergencies.

So what does racism have to do with it?

Did you know that in the United States, the most common way that families build wealth is through buying and selling homes? Buy a house, let it appreciate in value, sell it, make a profit, buy a home with earnings, repeat. But what happens when an entire population of people – Black people – are not allowed to buy and sell homes to the degree that white people are?

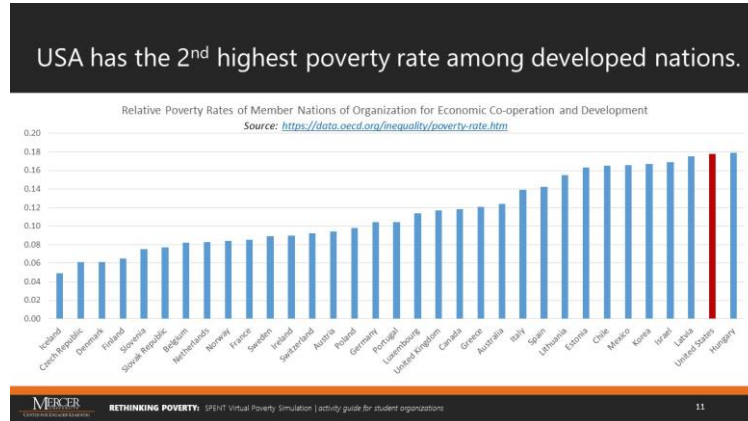
In 1934, the federal government passed the Fair Housing Act, a law that was designed to increase housing stock AND ALSO specifically designed to segregate housing in America. Then the government created the Fair Housing Administration to institutionalize those discriminatory efforts. The government refused to insure mortgages in and near Black neighborhoods, and they had actual maps with actual red lines around Black neighborhoods where they wouldn't invest. They also used those redlines to determine if people who lived in the red lines – aka Black people – would be granted a loan – even if they were moving out of the redlined area and into a white part of town. It was implemented across the board – federal policy that fed into banks,

realtors, housing developers – as a deeply entrenched injustice in our system. It also influenced the placement of medical facilities, retail stores, and supermarkets, which exacerbates challenges for low income families when they don't have access to essential services.

In 1968, the Fair Housing Act was passed to ban discrimination based on race when someone is trying to rent or buy a home, but they had to come back in 1977 with the Community Reinvestment Act to regulate banks and their discriminatory lending practices. And even today, the legacy of redlining impacts property values, family wealth, concentrations of poverty, and investment decisions.

So for almost 50 years, white Americans were accumulating wealth by buying and selling houses, and they were legally preventing Black Americans from doing the same thing. A lot of times, wealth is accumulated across generations. When families can't accumulate wealth, they have less to pass down to the next generation, so the issue becomes more and more compounded with each new generation. When you think about redlining as part of a continuum of discrimination against Black people that spans the past 400 years, beginning with the stolen wealth of all the people who were enslaved and forced to labor without compensation, and think about how that lost wealth compounds over the generations as our government continued to write laws that stripped Black people of wealth, it's no wonder that we have such huge racial disparities in household wealth.

## Slide 11



### SUGGESTED SCRIPT:

The sad thing is, our poverty rates don't have to be this high. They *shouldn't* be this high. If we look outside of the United States, every other developed nation except for Hungary is doing better than us. The U.S. has the second highest poverty rate among developed nations. Take a look at the countries ahead of us. What surprises you about who fares better? What did you expect to see?

If you've never had the opportunity to know someone who has lived outside of the United States, or to have traveled or lived outside of the U.S., it can be difficult to imagine that life looks different in different places. But the truth is, other countries do things differently – and clearly, when we're looking at these numbers, they're doing something better than we are when it comes to addressing poverty in a meaningful way. One thing that is important to know about poverty in America is that it can be very expensive, ironically. Let's watch a video to explain what this means.

## Slide 12

In the USA, it's more expensive to be poor.



Source: <https://www.youtube.com/watch?v=atwRZ08iaL0>



### INSTRUCTIONS:

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Play the video without introduction. When the video is finished, talk about it.

### SUGGESTED SCRIPT:

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- Did anything that you see in the video make you think about your experience with the SPENT simulation? What and why?
- What systems (ex: economic, educational, health care) in the United States prop up these kinds of expenses for poor people, or conversely, the benefits for people with wealth?
- Who benefits from this kind of system? Who has stakes in perpetuating poverty and inequity?
- Why do we allow this kind of inequity to exist in America?

## Slide 13

<b>Let's do budget math for metro Atlanta.</b> (data for Atlanta/Sandy Springs/Roswell area) <small>Source: MIT Living Wage Calculator</small>					Federal Minimum Wage: \$7.25/hour Monthly Gross Income: \$1,257 Annual Gross Income: \$15,080
	1 ADULT		2 ADULTS(BOTH WORKING)		
	1 Child	2 Children	1 Child	2 Children	
Food	\$4,446	\$6,682	\$6,877	\$8,872	
Child Care	\$5,992	\$8,443	\$5,992	\$8,443	
Medical	\$7,842	\$7,553	\$7,553	\$7,674	
Housing	\$13,206	\$13,206	\$13,206	\$13,206	
Transportation	\$8,425	\$10,689	\$10,689	\$11,645	
Other	\$4,688	\$4,867	\$4,867	\$6,123	
Required annual income after taxes	\$44,598	\$51,441	\$49,185	\$55,962	
Annual taxes	\$8,605	\$9,970	\$9,520	\$10,872	
Required annual income before taxes	\$53,203	\$61,410	\$58,704	\$66,834	

### SUGGESTED SCRIPT:

Now let's broaden our focus from looking just at poverty and expand it to low-income and costs of living. This table is sourced from a website called the MIT Living Wage Calculator. A professor of economic geography and regional planning at MIT, Dr. Amy Glasmeier, first created this calculator in 2004, and it's maintained every year to provide accurate data about the cost of living in every city, every county in the United States for various family compositions. Just so you know where the numbers come from, here's a quick rundown of how they calculate:

- Adults are assumed to be working full-time. Full-time work is assumed to be year-round, 40 hours per week for 52 weeks, per adult. It does not include leisure time for unpaid vacations or holidays
- **Food** is calculated using the USDA's low-cost food plan national average. The low-cost plan is the second least expensive food plan offered from a set of four food plans that provide nutritionally adequate food budgets at various price points. ***The tool does not include funds for pre-prepared meals or those eaten in restaurants.***
- **Childcare** is constructed from state-level estimates published by the National Association of Child Care Resource and Referral Agencies and based on the assumption that low-income families will select the lowest cost childcare option available.
- **Housing** captures the likely cost of rental housing in a given area using HUD Fair Market Rents (FMR) estimates.
- **Transportation** is constructed using national expenditure data by household size from the Bureau of Labor Statistics Consumer Expenditure Survey including: (1) Cars and trucks (used), (2) gasoline and motor oil, (3) other vehicle expenses, and (4) public transportation.
- **Other necessities** includes cost estimates for items not otherwise included in the major budget components such as clothing, personal care items, and housekeeping supplies

based on data by household size from the Bureau of Labor Statistics Consumer Expenditure Survey.

- The calculated living wage **does not** provide a financial means to enable savings and investment or for the purchase of capital assets like home purchases

Okay, so let's look at the data. This table shows the average costs of living in metro Atlanta. So let's say this single parent with one child that we talked about in the previous slide, the one that makes \$15,080 per year working full time for minimum wage, let's say they live in Atlanta. Now according to the MIT calculator, at minimum, in order to make ends meet – no savings, just paying the bills – this family would need an annual income of \$53,203. That's roughly \$25/hour.

Let's do that math. What is \$53,203 minus \$15,080?

Answer: \$38,123.

That's a big gap. What are the odds that this single parent can make up that difference with a second job, or with a better-paying job? How can they get from \$7.25/hour to \$25/hour?



## Slide 14

**It's not just minimum-wage workers who are vulnerable.**  
Source: MIT Living Wage Calculator

A single parent with one child needs to earn \$53,203/year to make ends meet in metro Atlanta.

A family of four with two parents working requires \$58,704 per year.

Occupational Area	Typical Annual Salary	Occupational Area	Typical Annual Salary
Management	\$113,338	Protective Service	\$38,515
Business & Financial Operations	\$68,704	Food Preparation & Serving Related	\$19,903
Computer & Mathematical	\$89,227	Building & Grounds Cleaning & Maintenance	\$25,778
Architecture & Engineering	\$78,859	Personal Care & Service	\$23,338
Life, Physical, & Social Science	\$64,526	Sales & Related	\$27,933
Community & Social Service	\$45,478	Office & Administrative Support	\$36,360
Legal	\$80,312	Farming, Fishing, & Forestry	\$28,116
Education, Training, & Library	\$49,726	Construction & Extraction	\$41,046
Arts, Design, Entertainment, Sports, & Media	\$50,123	Installation, Maintenance, & Repair	\$46,443
Healthcare Practitioners & Technical	\$67,301	Production	\$33,280
Healthcare Support	\$30,444	Transportation & Material Moving	\$32,416

Source: MIT Living Wage Calculator

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### SUGGESTED SCRIPT:

Although employees of companies that only pay minimum wage are the most vulnerable and marginalized, they're not the only people who are in financial distress. This table, also sourced from the MIT Living Wage Calculator, shows the typical salary by industry for metro Atlanta. Look at the highlighted rows. These kinds of jobs often require some type of post-secondary education. Some of these jobs – social services, education, design – may even require graduate or professional degrees. If anyone working in one of these industries was a single parent with one child, would they be earning enough to make ends meet?

And what about two-income households. What happens if the combined incomes allow for a comfortable life, but one person loses their job? The realities of the pandemic in 2020 drove this home for the entire country – too many Americans are financially vulnerable in the face of a single catastrophe, whether it's a medical bill, a broken-down car, or job loss.

In fact, in 2019 a Federal Reserve survey found that almost 40% of American adults wouldn't be able to cover a \$400 emergency with cash, savings, or a credit-card charge they could quickly pay off. And the number one cause of bankruptcy in the U.S. is medical bills. This problem ties in with that wealth gap we talked about earlier – a lot of people in this country don't have a safety net for emergency expenses.

## Slide 15

The gap between the poverty threshold and a living wage is big.

To qualify for SNAP (food stamps), income must be at or below 130% of the poverty threshold.

	Poverty Threshold	130% of Poverty Threshold	Minimum Required Income for ATL*	Gap Between Assistance and Living Wage
1 Adult 1 Child	\$17,240	\$22,412	\$53,203	\$30,791
1 Adult 2 Children	\$21,720	\$28,236	\$61,410	\$33,174
2 Adults 2 Children	\$26,200	\$34,060	\$66,834	\$32,774
2 Adults 3 Children	\$30,680	\$39,884	\$77,242	\$37,358

### SUGGESTED SCRIPT:

Let's put this in the context of public assistance, and more specifically the Supplemental Nutrition Assistance Program, or SNAP. You've likely heard this referred to as food stamps.

According to Feeding America, more than 50 million people may experience food insecurity, including a potential 17 million children, as a result of the effects of the coronavirus pandemic. To put that into perspective, the total population of the U.S. is about 330 million people. That's 15% of the population. That means 1 in 22 people don't have enough food to eat. That's a lot of people. That's a lot of kids.

So in order for a family to qualify for SNAP benefits, their income needs to be at or below 130% of the poverty threshold. Let's look at this table. In the first column we have the family composition, and in the second column we have the poverty threshold that corresponds with that family. We've gone ahead and done the calculations for 130% of the poverty threshold so we can know what the income cutoff is to qualify for SNAP, and then we've added in the minimum income required as determined by the MIT Living Wage Calculator and included the difference in income between qualifying for help with buying food and earning enough money to pay the bills.

Just a note – if you make just \$1 over the income cutoff to qualify for benefits, ***you don't get help with buying food.***

Those are some very big financial gaps between qualifying for public assistance and earning enough money to not need help. So who falls in those gaps? What happens to those families?

Remember when we said that 10.5% of people in the United States experience poverty? That number just includes the people whose income is at or below the poverty threshold. It doesn't include the families who fall in this gap.

But lest you think that people who qualify for SNAP benefits have all their needs met, they don't. It's a supplement, not a substitute.

## Slide 16

### Qualifying for SNAP does not mean all needs are met.

Source: <https://www.farmersmarketnews.com/news/qualifying-for-snap-does-not-mean-all-needs-are-met/>

For good, reliable, factual information about the SNAP program, check out this policy summary from the Center on Budget and Policy Priorities:



	Max Monthly Benefit (2021)	Estimated Avg Monthly (2021)	Typical Cost of Food Monthly in Metro Atlanta
1 Adult 1 Child	\$374	\$260	\$370
1 Adult 2 Children	\$535	\$401	\$557
2 Adults 2 Children	\$680	\$477	\$739
2 Adults 3 Children	\$807	\$560	\$900

### SUGGESTED SCRIPT:

Here are the projected disbursements for SNAP for 2021, courtesy of the Center for Budget and Policy Priorities. Just like the table in the previous slide, the left column shows the family composition, then the maximum possible benefit, then the estimated average benefit awarded. And just so you know, when people apply for SNAP benefits, they're expected to put at least 30% of their income toward food. So this is not designed to cover the full cost of feeding a family – hence the name Supplemental in the title. But we've also included here, in the far right column, the typical cost of food each month for these family compositions. This cost estimate comes from the MIT Living Wage Calculator.

So just to be clear, public assistance programs like SNAP are not providing people with an excuse not to work. In fact, in most cases, people receiving benefits are required to work at least 20 hours per week. There are a LOT of myths and negative stereotypes associated with public assistance programs like SNAP. If you do your due diligence in learning about the actual policies, programs, and participants, you'll find that many of those negative stereotypes are just not true.

## Slide 17

Disrupting poverty requires critical inquiry into how we got here, what isn't working, and what we can learn from other nations.

- Why is there such a large gap between the poverty threshold and a living wage?
- Why is the federal minimum wage lower than a living wage?
- How does poverty impact society? What are the costs associated with high poverty rates?
- Who or what benefits from the poverty trap and the cycle of poverty?
- How can people close the income gap between eligibility for public assistance and a living wage?
- Whose responsibility is it to fix this?
- What cultural values exist in the United States that perpetuate or challenge the status quo when it comes to poverty?

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### INSTRUCTIONS:

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Depending on the size of the group, you can have students break out into smaller groups or stay in a large group to discuss. Use these questions to guide the conversation.

Note: If you plan to break out into small groups (whether in person or online), be sure you have assigned a facilitator for each group to ask the questions and lead the conversation, then do a large group debrief to share some major takeaways.

### SUGGESTED SCRIPT:

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Let's take a few minutes to reflect on what we've talked about. On the screen is a list of questions we're going to use to guide our conversation. When we're done, we'll come back and close out.

What can we do to reduce poverty in the United States?



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**INSTRUCTIONS:**

Ask students this question and give them a little bit of time – 60-90 seconds - to think about it. They can throw out ideas if they want, but if they don't, just let it be silence. Use this to prime them to see the recommended actions in the next slide.


## Slide 19

### Top 10 Solutions to Cut Poverty and Grow Middle Class

Source: <https://www.americanprogress.org/states-poverty/news/2014/09/12/20207/the-top-10-solutions-to-cut-poverty-and-grow-the-middle-class/>

1. Create jobs.	8. Expand Medicaid.
2. Raise the minimum wage.	9. Reform the criminal justice system and enact policies that support successful re-entry
3. Increase the Earned Income Tax Credit for childless workers.	10. Sustain, not cut, the social safety net.
4. Support pay equity.	
5. Provide paid leave and paid sick days.	
6. Establish work schedules that work.	
7. Invest in affordable, high-quality child care and early education.	

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RETHINKING POVERTY: SPENT Virtual Poverty Simulation | activity guide for student organizations

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### INSTRUCTIONS:

Beneath the suggested script is a brief explanation of each item in the list so you can familiarize yourself with the issue. If you have time in your presentation, go through some or all of these items. If not, be sure to have the talking points handy in case people ask questions.

If someone asks a question about one of these that you aren't comfortable answering or don't know the answer to, it's okay to tell them you don't know and are still learning. Encourage them to scan the QR code to access the source article and do their own investigation.

### SUGGESTED SCRIPT:

Here is a list from the Center for American Progress of the top ten things we can do to cut poverty in the United States. Notice that none of these solutions is about charity. Volunteering and donating money is absolutely essential to meeting daily survival needs – only food will fill a hungry stomach. But if we only do charity, we're ignoring the actual causes of poverty and just slapping a Band-Aid on the problem. If we want to change things, we have to look at the public policy level. We have to change the laws.

Which sounds kind of daunting – and we get that. But it's actually not that hard. First, be sure to educate yourself. Read up on these proposed solutions. Find out why they matter, and what the drawbacks are. Make sure you can explain why the benefits outweigh the costs of these changes. Then make sure you vote. One of the most powerful things you can do for this is vote. Vote for people who understand the issues and are willing to fight to achieve systemic change and disrupt the cycle of poverty. Vote for representatives who support these kinds of solutions to poverty and inequality. When issues come up on the ballot, vote in favor of reforms that address these issues. Call your elected representatives to tell them that you care about these things and ask them what they're doing about it. If you're really gung-ho, you can get involved in an advocacy organization that's working toward one of these specific goals.

What are some things you are interested in learning more about?

## TALKING POINTS FOR SLIDE 19:

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1. **Create jobs** - To kick-start job growth, the federal government should invest in job-creation strategies such as rebuilding our infrastructure; developing renewable energy sources; renovating abandoned housing; and making other common-sense investments that create jobs, revitalize neighborhoods, and boost our national economy. We should also build on proven models of [subsidized employment](#) to help the long-term unemployed and other disadvantaged workers re-enter the labor force.
2. **Raise the minimum wage** - In the late 1960s, a full-time worker earning the minimum wage could lift a family of three out of poverty.
3. **Increase the Earned Income Tax Credit for childless workers** - One of our nation's most effective anti-poverty tools, the Earned Income Tax Credit, or EITC, helped more than [6.5 million](#) Americans—including 3.3 million children—avoid poverty in 2012. It's also an investment that pays long-term dividends. Children who receive the EITC are [more likely](#) to graduate high school and to have higher earnings in adulthood. Yet childless workers largely miss out on the benefit, as the maximum EITC for these workers is less than [one-tenth](#) that awarded to workers with two children.
4. **Support pay equity** - Closing the gender wage gap would cut [poverty in half for working women and their families](#) and add nearly half a trillion dollars to the nation's gross domestic product.
5. **Provide paid leave and paid sick days** - The United States is the [only developed country](#) in the world without paid family and medical leave and paid sick days, making it very difficult for millions of American families to balance work and family without having to sacrifice needed income. Paid leave is an important anti-poverty policy, as [having a child](#) is one of the leading causes of economic hardship. Additionally, nearly [4 in 10](#) private-sector workers—and 7 in 10 low-wage workers—do not have a single paid sick day, putting them in the impossible position of having to forgo needed income, or even their job, in order to care for a sick child.
6. **Establish work schedules that work** - Low-wage and hourly jobs increasingly come with [unpredictable and constantly shifting work schedules](#), which means workers struggle even more to balance erratic work hours with caring for their families. Ever-changing work schedules make accessing child care [even more difficult](#) than it already is and leave workers uncertain about their monthly income. Furthermore, things many of us take for granted—such as scheduling a doctor's appointment or a parent-teacher conference at school—become herculean tasks.
7. **Invest in affordable, high-quality child care and early education** - The lack of affordable, high-quality child care serves as a major barrier to reaching the middle class. In fact, one year of child care for an infant costs [more than one year of tuition](#) at most states' four-year public colleges. On average, poor families who pay out of pocket for child care spend [one-third](#) of their incomes just to be able to work. Furthermore, federal child care assistance reaches only [one in six](#) eligible children.
8. **Expand Medicaid** - Expanding Medicaid would mean [more than just access to health care](#)—it would free up limited household income for other basic needs such as paying rent and putting food on the table. Having health coverage is also an important buffer against the economic consequences of illness and injury; unpaid medical bills are the [leading cause of bankruptcy](#). Studies link Medicaid

coverage not only to improved health, improved access to health care services, and [lower mortality rates](#), but also to [reduced financial strain](#).

- 9. Reform the criminal justice system and enact policies that support successful re-entry** - Mass incarceration is a key driver of poverty. When a parent is incarcerated, his or her family must find a way to make ends meet without a necessary source of income. Additionally, even a minor criminal record comes with significant collateral consequences that can serve as lifelong barriers to climbing out of poverty. For example, people with criminal records face substantial barriers to employment, housing, education, public assistance, and building good credit. [More than 90 percent](#) of employers now use background checks in hiring, and even an arrest without a conviction can prevent an individual from getting a job. The "[one strike and you're out](#)" policy used by public housing authorities makes it difficult if not impossible for individuals with even decades-old criminal records to obtain housing, which can stand in the way of family reunification. Furthermore, a [lifetime ban](#)—for individuals with felony drug convictions—on receiving certain types of public assistance persists in more than half of U.S. states, making subsistence even more difficult for individuals seeking to regain their footing, and their families.
- 10. Sustain, not cut, the social safety net** - The across-the-board spending cuts known as sequestration—which took effect in 2013—slashed funding for programs and services that provide vital support to low-income families. Sequestration cost the U.S. economy as many as [1.6 million jobs](#) between mid-2013 and 2014. Many important tools to help low-income individuals and families pave a path to the middle class—such as adult and youth education and training programs, child welfare, and community development programs—were on a [downward funding trend](#) even before sequestration took effect.



## Slide 20

Check out these orgs to learn more about tackling poverty.

1. Economic Policy Institute – <https://www.epi.org/>
2. Feeding America - <https://www.feedingamerica.org/>
3. Kirwan Institute for the Study of Race and Ethnicity - <https://kirwaninstitute.osu.edu/>
4. National Alliance to End Homelessness - <https://endhomelessness.org/>
5. National Center for Children in Poverty - <https://www.nccp.org/>
6. National Community Action Foundation - <https://www.ncaf.org/>
7. National Homelessness Law Center - <https://nlchp.org/>
8. National Low Income Housing Coalition - <https://nlihc.org/>
9. Urban Institute - <https://www.urban.org/>

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### SUGGESTED SCRIPT:

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Thanks for joining us today. This concludes the presentation, but we're going to leave up this list of organizations with good information about poverty and how to reduce it in case you want to do some further exploration.