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Beyond Welfare Reform: Economic Justice in the 21st Century

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November 14, 2002

Thank you so much, Mary Louise. I am deeply honored that you asked me to be here today with you and Tomas and Dan to deliver these remarks in memory of Mario Olmos. He was a wonderful role model for the values that have been celebrated throughout this lecture series, and I am doubly honored to be added to the list of distinguished speakers who have preceded me.

For me this is also the Paul and Sheila Wellstone Memorial Lecture. They were dear friends of mine. This is the first time I have had the opportunity to say publicly what a loss it was for our country when they and their daughter and colleagues died a few days ago. Paul and Sheila acted passionately in the cause of economic and social justice that brings us together today. They didn't just believe. They acted. Our memorial to them, as it is for Mario Olmos, has to be to act. Not just believe. Act.

I think the title of this conference, "Whose Welfare? Income Transfers and Economic Justice" is excellent. I take it that there is a double entendre there. The title suggests, to me anyway, that what was of greater interest to many of those making the most noise in the heated welfare debate over the years was their own political advantage. It has occurred to me, as it may have to some of you, that mounting a sustained, highly public attack on welfare diverted attention from the widening gap between the wealthiest people and the rest of us. It's a new version of the old tactic of divide and conquer. Blame the people at the bottom and keep the focus away from the massive feathering of the nest at the top.

So my suggestion this afternoon is that we need to change the subject,

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and that is why I want to talk more about economic justice than about welfare reform itself. We need a larger lens, a new frame, a new vision, and ultimately a new politics. The subject is not welfare. It is not poverty, even if poverty were properly measured. The subject is economic justice for everyone. The subject is the millions who are struggling, far more than the number that we call "poor." And the subject is also the small number of people at the very top who have personal wealth greater than the wealth of many countries. So, whose welfare indeed? Income transfers in which direction?

I want to talk with you about some elements of policy and some elements of action. We had an election last week. The progressive side lost, decidedly. Why? One reason, surely, is that the people who were expected to espouse positions associated with that side offered precious little to let voters know there was a progressive choice available. So our discussion today is not simply an exercise in theory or abstract thought. You don't win elections unless you offer people something that interests them. The progressive side seems to have lost the knack.

Let's start with some facts. The country has about twice the income, in real, inflation-adjusted terms, as it had in the late 1970s.¹ Yet about half the American people are no better off than they were then, and many are actually worse off.² Why? The answer is obvious. Nearly all of the nation's growth in both wealth and income got stuck at the top.³

Changing the frame has to begin with getting people to understand what happened. We have this Horatio Alger myth in our country, that everybody makes it on their own. Many people who aren't making it buy into the myth and blame themselves. They think it was their own fault; they didn't measure up, and they lost out because they weren't good enough.

Of course there are some people who don't take responsibility for themselves. Others have difficulty because they have limitations and personal problems. But what we don't admit is that there is a structural problem in our labor market, exacerbated by tax policy that widens the differences, or at least narrows them far less than it should.

Our labor market is deeply flawed. It would not be inaccurate to say that we have a massive case of market failure. For what else is it when millions of people work as hard as they possibly can and still don't make

1. ECONOMIC REPORT OF THE PRESIDENT 322 (2002), *available at* <http://w3.access.gpo.gov/eop/> (last visited May 7, 2003).

2. KEVIN PHILLIPS, WEALTH AND DEMOCRACY: A POLITICAL HISTORY OF THE AMERICAN RICH 34-37 (2002).

3. *See generally* CHUCK COLLINS ET AL., UNITED FOR A FAIR ECONOMY, DIVIDED DECADE: ECONOMIC DISPARITY AT THE CENTURY'S TURN 6 (1999), *available at* http://www.faireconomy.org/press/archive/1999/Divided_Decade/divided_decade.html (last visited May 7, 2003).

enough money to pay for the essentials of living? We need to say to people, it's not your fault. We need to say, it does not need to be this way, we can change this. We need to say, we can see to it that every American receives a living income.

How did things come to this? Everyone knows that for decades we have been losing good jobs, that high-paying manufacturing jobs have gone to globalization and automation, and that what has come in their stead (at least it is good that replacement jobs did come along) are lower-paying jobs, mainly serving others.⁴ What we don't pay enough attention to is the human element here—the people who have the new jobs and their constant struggle to make it.

Let's look at the wage side. The median wage for a job in the United States in 1973 was \$12.06 an hour (in 2001 dollars).⁵ In 2001 it was \$12.87.⁶ So half the jobs in the country, in real terms, advanced a grand total of 81 cents an hour in 28 years. If you had that job full-time and all year, your income went from \$25,085 to \$26,770. And half the jobs paid less than that.

The income of the bottom fifth of the population actually went down. A Congressional Budget Office study showed that from 1979 to 1997 the average income of the bottom 20 percent went down \$100, from \$10,900 to \$10,800 (in 1997 dollars).⁷ Meanwhile, according to the same study, the average income of the top one percent went up by \$414,200—from \$263,700 to \$677,900.⁸

Who are the people with the jobs in the bottom half? They are the people who serve the rest of us. They serve us in restaurants, they take care of our children, they clean our offices, they wait on us at the dry cleaners, and so on and on. We should make no mistake. They are subsidizing the standard of living of the rest of us, and we ought to be ashamed of ourselves.

Nor is the problem just the stagnation of wages. The cost of living has gone up much more than that 81 cents an hour for the people at the bottom of the income continuum.⁹ What has gone up the most is the cost of rental

4. JARED BERNSTEIN ET AL., *CTR. ON BUDGET & POLICY PRIORITIES, PULLING APART: A STATE-BY-STATE ANALYSIS OF INCOME TRENDS 34-35* (2002), available at <http://www.cbpp.org/4-23-02sfp.pdf> (last visited May 7, 2003).

5. Telephone Interview with Heather Boushey, Economic Policy Institute (Nov. 14, 2002).

6. *Id.*

7. *CTR. ON BUDGET & POLICY PRIORITIES, PATHBREAKING CBO STUDY SHOWS DRAMATIC INCREASES IN BOTH 1980S AND 1990S IN INCOME GAPS BETWEEN THE VERY WEALTHY AND OTHER AMERICANS*, (May 31, 2001) available at <http://www.cbpp.org/5-31-01tax-pr.pdf> (last visited May 7, 2003).

8. *Id.*

9. See generally HEATHER BOUSHEY ET AL., *ECON. POLICY INST., HARDSHIPS IN AMERICA: THE REAL STORY OF WORKING FAMILIES* (2001), available at <http://www.epinet.org/books/hardships.pdf>

housing. In Washington, D.C., for example, the fair market rent for a two-bedroom apartment is now \$1,154.00 a month.¹⁰ That is more than the pay from a minimum-wage job, which is less than \$900 a month even before payroll taxes are deducted.

There is good research on what it costs to live. One body of work is that of Diana Pearce and Wider Opportunities for Women, whose self-sufficiency index is now quite widely known,¹¹ and another is the product of Heather Boushey and the Economic Policy Institute.¹² EPI studied the cost of living for families with children in 400 locations around the country, based on data about the cost of housing, child care, health care, and other key components. They found a range for a family of one parent and two children (in 2001) from \$21,989 in Hattiesburg, Mississippi¹³ to \$48,606 in Long Island, New York.¹⁴

A rough average of all of their data would be that a family of three, nationally, needed something like \$28,000, or double the official poverty line as it was then, to make ends meet. Extrapolating further, this means that the number of people who are in economic difficulty is something like 80 million, or about two times the number we say are living in poverty.

Meanwhile, income and wealth have been skyrocketing at the top. The pay of CEOs of large corporations in relation to the line workers in their companies went from a ratio of 42 to 1 in 1982 to 411 to 1 in 2001.¹⁵ Had the minimum wage gone up at the same rate as CEO pay since 1990, it would have been \$21.41 in 2001, instead of \$5.15.¹⁶ The top one percent of households had twenty percent of the nation's wealth in the late 1970s; by the late 1990s, its share had doubled to forty percent.¹⁷ Moreover, the top one percent of households has more wealth than the entire bottom ninety-five percent combined.¹⁸

We do not need to spend a lot of time discussing the bad consequences

(last visited May 7, 2003).

10. METROPOLITAN WASHINGTON COUNCIL OF GOVERNMENTS, HOUSING & PLANNING, PAYMENT STANDARDS AND INCOME LIMITS, *available at* <http://www.mwcog.org/planning/housing/voucher/standards.asp> (last visited Apr. 20, 2003).

11. *See* DIANA PEARCE, *Self-Sufficiency Standard: A New Tool for Evaluating Anti-Poverty Policy*, POVERTY AND RACE (Poverty & Race Research Action Council, Wash., D.C.), Mar./Apr. 2001, *available at* <http://www.afsc.org/pwork/0109/010907.htm> (last visited May 7, 2003).

12. *See generally* BOUSHEY, *supra* note 9.

13. This is the lowest family budget the study found, and even it is 64% higher than the official poverty line. *Id.* at 9-11.

14. *Id.* at 10.

15. SCOTT KLINGER & CHRIS HARTMAN, UNITED FOR A FAIR ECONOMY, EXECUTIVE EXCESS 2000: CEOs COOK THE BOOKS, SKEWER THE REST OF US 1 (2002), *available at* http://www.ufenet.org/press/2002/EE2002_pr.html (last visited May 7, 2003).

16. *Id.*

17. *See* COLLINS, *supra* note 3, at 6.

18. *Id.* at 2.

of this continuously increasing bifurcation and separation. New research points out yet again that, while there is certainly a degree of mobility in American society, where one starts is a major predictor of where one will end up.¹⁹ That applies to both top and bottom. What that means for children growing up is differences in opportunity, differences in outcome, and differences in what happens in their lives. It means people are assigned to the periphery by the accident of their birth—stuck, before they are born. It changes the very nature of the country.

The challenge is to get people to see the problem, to understand that forces over which they had no control have caused them to receive an unjustly low return on their work effort, and to believe that there is something they can do about it.

The work has to proceed on two tracks—a “vision” track, and the day-to-day work in the trenches. It is vital that people have a sense of the ultimate aim. It will be easier to draw them into participating in the struggle if they see the larger picture, although we need to get them to see at the same time that change usually happens step by step. Keep your eyes on the prize, we need to say, and understand, too, that success comes two steps forward and one step back, and sometimes we even go forward one step and then back two. We need a vision and we have to fight the day-to-day fights, too.

The other side has a vision: no government involvement at all, leave the market free to operate, tell the poor people to act responsibly, get people to help others on a volunteer basis, and everything will be fine. We need a clear vision, too—of economic justice, social justice, and racial justice.

If the frame is justice, and especially economic justice, what about the policy?

Of course everything is connected to everything, so the list would have to begin with finishing the job of campaign finance reform, because the money that pours into campaigns from the wealthy and from special interests skews nearly every product that emanates from the halls of Congress. Macroeconomic policy is critical, too, because a full employment economic policy makes a big difference in how many people have jobs. Trade policy has to be in our sights as well, because trade agreements that do nothing to raise labor standards and improve environmental protections in the economies of our trading partners injure American workers unfairly. And economic justice includes protecting the private pensions of American workers and putting corporate crooks in jail.

The policy agenda has to focus on the top as well as the bottom, as a matter of fairness and what kind of a country we are going to be, and to

19. Alan B. Krueger, *The Apple Falls Close to the Tree, Even in the Land of Opportunity*, N.Y. TIMES, Nov. 14, 2002, at C2.

assure that government has the resources to play its appropriate role in achieving economic justice. This means repealing the 2001 tax cut as to the wealthiest people, rescinding the repeal of the estate tax, and not enacting further tax breaks for the wealthy. And it means not shriveling up and slinking away when the other side says it is class warfare to want our tax system to be just. The tax cut in 2001 was the class warfare, and it started a long time before that.

Economic justice for the rest of America, and especially those at the bottom of the income continuum, starts with work and income from work. Given the way our economy and our labor market are structured, it is not a simple matter to see to it that everyone who works gets a living income. You can't just wave a magic wand. You can't just legislate a living wage. You can't even do labor organizing to achieve a living wage that is paid for 100% by employers. So many jobs pay so little that raising all of them to a living wage in one fell swoop would be unacceptably disruptive.

So the baseline income agenda starts with the minimum wage, but it doesn't end there. Raising the minimum wage two dollars an hour from its current \$5.15 would get it back to where it was in the late 1960s and not destroy jobs.²⁰ That is obviously worth doing, but it would not assure anyone a living income. Fixing the barriers to union organizing that are a feature of federal law currently, coupled with more effective efforts by unions to organize, would make a big difference, too, but these steps wouldn't suffice fully, either. The living-wage campaigns that have been successful in nearly a hundred localities and on university campuses are a help, too—for the employees they reach and for their signaling effect to the rest of the labor market.

These constructive efforts at their best can't fix our flawed labor market in the short or even the medium term. That is why we have the Earned Income Tax Credit, for the 1993 expansion of which President Clinton deserves great credit. A family with two children and one full-time minimum wage job gets a little over \$4000 from the EITC.²¹ The EITC needs to be improved in a number of ways, but as it is, it is a vitally important piece of income policy.

20. "A recent EPI study failed to find any systematic, significant job loss associated with the 1996-97 minimum wage increase. These results are similar to other studies of the 1990-91 federal minimum wage increase, as well as to studies of several state minimum wage increases. New economic models that look specifically at low-wage labor markets help explain why there is little evidence of job loss associated with minimum wage increases. This model recognizes that employers may be able to absorb some of the costs of a wage increase through higher productivity, lower recruiting and training costs, decreased absenteeism, and increased worker morale." ECON. POLICY INST., *MINIMUM WAGE FACTS AT A GLANCE* (2003), available at http://www.epinet.org/content.cfm?issueguides_minwage_minwagefacts (last visited May 7, 2003).

21. CHILDREN'S DEF. FUND, *TAX AND OTHER HELP FOR FAMILIES*, available at http://www.childrensdefense.org/benefits_outreach.php (last visited May 7, 2003).

I want to make four points about the EITC.

One, we shouldn't have to have it. The labor market in a country as wealthy as ours ought to produce a decent wage for everyone.

Two, it should be viewed as in tension with the minimum wage. Raise the minimum wage too far and it destroys jobs. Raise the EITC when the minimum wage could have been raised, and it lets employers off the hook.

Three, the upper income limits of the EITC and a range of other benefits—food stamps, Medicaid and the State Child Health Insurance Program (SCHIP), and section 8 housing vouchers are a few—do not reflect the reality of what it actually costs to live.²² Making the case for revamping these programs is part of the income agenda.

Four, the British approach to their counterpart of the EITC speaks volumes about the differences in our two countries' attitudes toward lower-income people. The Blair government has pledged to end child poverty in the U.K. in 20 years, and to halve it in 10.²³ They have an extensive set of measures in place to achieve those goals, and at the heart of the strategy is an expanded version of their EITC. They studied their situation and concluded that large numbers of Britons were choosing to stay on cash assistance (much more generous than welfare in the U.S.) rather than accept a low-wage job.²⁴ They were simply behaving rationally. The American response to a somewhat similar situation was to order people to go to work, with sanctions and term limits to put bite in the injunction. The British response was not to take away benefits, but to adjust the incentives by using a major expansion of their EITC to make work much more attractive than staying on the dole.²⁵ This is an economic justice strategy. Because jobs—albeit low-wage jobs—were available, people went to work.²⁶ And child poverty has gone down.²⁷

If work-related income is the first category, what I call the social wage is the second item that a decent society covers, at least for those who can't afford them. These items are intrinsically important, but they also add to income. At the top of the list here is universal health coverage. With the damage that has been done by managed care in recent years, the issue is creeping back toward the national agenda. We need to accelerate the

22. "Even after a minimum wage increase to \$6.15, a woman working the average number of hours worked by poor single mothers (1,164 annually in 1997) would still not reach the poverty line for a family of three (\$13,000 in 1998) if she earned the minimum wage and received the EITC and food stamps." ECON. POLICY INST., *supra* note 20.

23. HM TREASURY, TACKLING CHILD POVERTY: GIVING EVERY CHILD THE BEST POSSIBLE START IN LIFE v (Dec. 2001), *available at* <http://www.hm-treasury.gov.uk/media/CA8CB/TacklingChildPoverty.pdf> (last visited May 7, 2003).

24. *Id.* at 14.

25. *Id.* at 14-15.

26. *Id.* at vi, 12.

27. *Id.*

resurgence of the debate. Also extremely important is child care. Federal expenditures in this area have increased in recent years, but federal funds still reach only one out of seven children who qualify for help.²⁸ Child care assistance should be available to everyone who needs it, for as long as they need it. Increasing the supply of housing for lower-income people is the other major piece here. We have put no serious money into the supply side of the housing equation since 1980, and we are losing ground every year. That needs to end.

The third piece of the income agenda relates to people who are not expected to work or are not in a position to work. The elderly and disabled are in general not controversial in regard to their position in this category, although there are certainly issues about how public policy ought to respond to those who do want to work. How to regard non-disabled adults of working age—those who have children, anyway—was the hotly debated question that eventuated in the 1996 welfare law.

The 1996 law represented a triumph, finally, for those who had been arguing for nearly three decades that welfare was the problem, that too many people were on welfare and staying there too long because the very availability of welfare made them dependent and irresponsible. I also believe that too many people were on welfare for too long under the old system, but not for the reasons advanced by the right. The job market has been weak at the bottom for a long time. It would have taken a determined effort to address that problem, although it is also not clear that there was ever enough strength on the progressive side to break the political stalemate. In any case, the Gingrich revolution, to which President Clinton capitulated on this issue, broke the logjam.

The welfare debate needs to be revived, for the sake of the children if nothing else. For people who have low-wage jobs or could succeed in the job market if they had some help, welfare and associated policies should help people get and keep jobs, fulfill their parental responsibilities, get out of poverty, and get on a ladder toward getting a better job. For people who cycle in and out of work, live in rural areas that are far from any work, or have small children or disabled children or other relatives to care for, the question is what kind of safety net we are going to have. Our laws say that Medicaid and SCHIP, food stamps and child nutrition, public housing and housing vouchers, and a number of smaller programs are not time-limited and are not in general conditioned on work. But cash assistance for families with children is now time-limited and quite strictly conditioned on work participation.

Welfare policy should respect caregiving. Currently, it mainly does

28. CHILDREN'S DEF. FUND, CHILD CARE NOW!, *available at* <http://www.cdfactioncouncil.org/Indexcc.htm> (last visited May 7, 2003).

not. It should be individualized in its application of work requirements, respecting differences among people's capacities and situations. Currently, it mainly does not. The arbitrary five-year time limit is bad public policy, even with the twenty percent exception permitted to states (which many states do not use, just as many states have chosen lifetime limits of less than five years). This will become more palpable as time passes. Every year more and more mothers will exhaust their five years of eligibility through no "fault" of their own, and at some point even the Gingriches and the Delays of this world will have to admit (although I'm not holding my breath) that an arbitrary five years does not reflect reality.

Just as troubling is the hypocrisy we have fallen into in our messages to new mothers. To those with means we say, stay home for a while. Bond with your child. The early years of brain development are crucial, and require continuous stimulation. To women on welfare, we say, go to work—in many states, after as little as twelve weeks after a child is born.²⁹ The safety net side of the welfare debate is part of the economic justice agenda.

We can't talk about economic justice without having race in the conversation. The poverty rate of African-Americans is still about 23%, as is that of Latinos, while the poverty rate of non-Hispanic whites is under 10%.³⁰ That comparison speaks volumes, as does the greatly disproportionate number of African-Americans and Latinos among the 2 million people in American prisons and jails.³¹ If there is a collective dearth of appropriate attention to the extent of poverty and near-poverty in this rich country, there is an even greater myopia concerning the relationship between the fact of being poor and the fact of being a person of color.

Similarly, gender. I mentioned the mixed messages we send to women based on their economic position. And of course women are too often still paid less than men for the same work. Then we have President Bush's ideas about marriage, advanced as part of his proposal for reauthorization of the 1996 welfare law. His underlying premise is essentially that, for

29. Eleven states require mothers of infants to participate in work activities once the child is three months old; six states require participation once the child is one day old. NAT'L CAMPAIGN FOR JOBS & INCOME SUPPORT, *STATES BEHAVING BADLY: AMERICA'S TEN WORST WELFARE STATES* 7 (Feb. 22, 2002), available at <http://www.nationalcampaign.org/download/ngareport.pdf> (last visited May 7, 2003).

30. "In 2001, the poverty rate was 7.8 percent for non-Hispanic Whites, 22.7 percent for Blacks. . . . For Hispanics, . . . the poverty rate was 21.4 percent." BERNADETTE D. PROCTOR & JOSEPH DALAKER, U.S. CENSUS BUREAU, *POVERTY IN THE UNITED STATES: 2001* 4 (issued Sept. 2002), available at <http://www.census.gov/prod/2002pubs/p60-219.pdf> (last visited May 7, 2003).

31. "10.0% of black non-Hispanic males age 25 to 29 were in prison on December 31, 2001, compared to 2.9% of Hispanic males and about 1.2% of white males in the same age group." PAIGE M. HARRISON & ALLEN J. BECK, U.S. DEP'T OF JUSTICE, BUREAU OF JUSTICE BULLETIN STATISTICS, *PRISONERS IN 2001* 12 (issued July 2002), available at <http://www.ojp.usdoj.gov/bjs/pub/pdf/p01.pdf> (last visited May 7, 2003).

everyone other than the few who can find a very good job, the only way for a woman who is poor and has children to get her family out of poverty is to get married. The implication is that a woman on welfare should marry the first man she meets who has a job (or invent such a man, I suppose)—abusive or not, alcoholic or not—and if she is already married she should stay married, regardless of how her husband treats her and the children, so long as he is working.

This is just wrong. A woman who is raising children on her own should be able to earn enough, along with the income supplementation offered by public policy, to support her family, and not have to marry a bad or nonexistent man to survive economically. Of course we want people to get married, provided they want to and can find a good mate. Many women who aren't married would like to be. For low-income women of color, though, it is a problem—a problem of a dearth of marriageable males, as William Julius Wilson has put it³²—and the problem is getting worse. Over the past decade the percentage of young African-American men with high school educations or less who have jobs has actually declined,³³ during a period of great national prosperity and a period when the employed percentage of single mothers has gone up substantially.³⁴

Men should be a women's issue. Public policy should be addressing the question of how to connect and reconnect disconnected young men, to jobs and to society in general. We have been addressing the situation of young women (although in a flawed way), but we have in general been ignoring the situation of young men, except for sending them to prison in large numbers. Because there are many women who would be delighted to marry if they could find a proper partner, men should be a women's issue.

A few words about three more sets of policies that bear on the pursuit of economic justice: services of various kinds to help people deal with problems that impede their economic success (as well as trouble them in other ways); investing in our children; and focusing on issues related to the places where people live.

At the moment, the welfare rolls nationally have dropped to an astonishingly low two million cases (about six million people, including the children)³⁵—barely over two percent of the nation's population, and well

32. WILLIAM JULIUS WILSON, *THE TRULY DISADVANTAGED* 145 (1987).

33. "[T]heir employment rate declined roughly 10 percentage points—from 62 percent to 59 percent in the 1980s, and from 59 percent to 52 percent in the 1990s." PAUL OFFNER & HARRY HOLZER, *THE BROOKINGS INST., LEFT BEHIND IN THE LABOR MARKET: RECENT EMPLOYMENT TRENDS AMONG YOUNG BLACK MEN* 4 (Apr. 2002), available at <http://www-cpr.maxwell.syr.edu/faculty/smeeding/classes/ppa781/offner.pdf> (last visited May 7, 2003)

34. *WELFARE REFORM: THE NEXT ACT* 83 (Alan Weil & Kenneth Feingold, eds., 2002).

35. Office of Planning, Research, and Evaluation, U.S. Dep't of Health and Human Services, *Table 2:1 TANF: Total Number of Families, Fiscal Year 2000* and *Table 2:2 TANF: Total Number of Recipients, Fiscal Year 2000*, TEMPORARY ASSISTANCE TO NEEDY FAMILIES (TANF), FOURTH ANNUAL

under 20% of the poverty population.³⁶ While there are still (as there should be) many women who have turned to welfare for temporary help, the rolls are now disproportionately composed of people who have personal problems that get in the way of their succeeding in the job market.³⁷ Mental health services, drug and alcohol abuse treatment, and domestic violence victim assistance are all essential ingredients of an economic justice strategy. And of course it continues to be true that legal assistance for low-income people is vital, as is a health care system that extends accessibly into the places where low-income people live.

All of this costs money, which has to include an adequate contribution from public treasuries, even though many, if not most, of the people who deliver the services will not and should not be public employees. Yet we are once again living with a continuing sound bite that says volunteerism, especially faith-based volunteerism, is going to solve all the problems. I am a great fan of Catholic Charities and Lutheran Social Services and many other religiously affiliated organizations that have been receiving public funds to deliver services for decades, but they will be the first to tell you that: a) there is no way that the needed level of services can be delivered without public dollars; b) secular-sponsored services are as deserving of public dollars as faith-based services; and c) services are only part of the answer.

As to investing in our children, I only have space here to say that what happens to children during off-school hours is important, and must be an integral piece of an agenda for children in addition to succeeding in making all of our schools work for all of our children. This is a matter of prevention, and more importantly, a matter of a three-dimensional strategy of child and youth development.

Where people live has everything to do with where they will be able to find and get to a job, where their children will go to school, and their quality of life generally. Where people live in concentrated poverty—a situation that got worse over the last third of the last century³⁸—the problems feed on themselves and grow exponentially. Our economic justice agenda has to include attention to issues of place: neighborhood revitalization, jobs and housing mobility in the regional economy, and

REPORT TO CONGRESS, April 2002, available at <http://www.acf.dhhs.gov/programs/opre/ar2001/chapter02.htm> (last visited May 7, 2003).

36. "In 2001, people below the poverty thresholds numbered 32.9 million. . . ." PROCTOR, *supra* note 30, at 1.

37. See LISA E. OLIPHANT, *FOUR YEARS OF WELFARE REFORM: A PROGRESS REPORT 9-10* (Aug. 2000), available at <http://www.cato.org/pubs/pas/pa378.pdf> (last visited May 7, 2003).

38. Between 1970 and 1990 the number of urban poor people living in census tracts with more than 40 percent poverty doubled. See PAUL A. JARGOWSKY, *POVERTY AND PLACE: GHETTOS, BARRIOS, AND THE AMERICAN CITY 38-39* (1997).

equity in the process of gentrification that is going on in many cities across the country.

We have talked about the vision and the policies. I want to turn, finally, to the elements of what we need to do to make these things come to pass. We need to have a movement.

This is a particularly troubling time. We have a national administration that is pursuing a policy of neo-imperialism abroad, and enriching the rich, destroying the federal revenue base, injuring the poor, and eroding civil rights and civil liberties at home. There is a thoroughgoing, across the board, radical conservative agenda in play, and it is scary.

Nonetheless, I want to say we have hit bottom—or what we thought was bottom—before, and we rebounded. For all of the power that the rich and the special interests have and have always had in our politics, this is a centrist country, and it doesn't like radicals of any stripe. We survived Nixon, we survived Reagan, and we survived Gingrich.

By the end of 2004, we will have had Republican presidents for 24 of the last 36 years, and yet it is interesting to look at all of the progressive policies that were hotly contested and defiantly resisted when they were adopted, and are now widely accepted and not open to serious question. We continue to argue about affirmative action, of course, but we have made huge progress about race. The status of women is very different from what it was 40 years ago. So is that of the disabled. Attitudes about sexual orientation have changed markedly. Our environmental protections are firmly in place. Medicare and Medicaid have helped bring about major changes in life expectancy and infant mortality. The economic situation of the elderly is vastly improved because of the indexing of social security and the enactment of SSI.

So let us not say that we cannot have a movement for economic justice. The roots of the civil rights movement and the women's movement go back to the 19th century. They did not know how things were going to go when they started. When people started to work on the environment, and when a few lonely people started to oppose the war in Vietnam, they didn't know where it was going to go.

So how do you start a movement? You put one foot in front of the other. There are building blocks all over the country—people doing fabulous organizing and community building work that is wonderful on the ground where it is, but also constitutes building blocks for national action. People like Larry Ferlazzo of the Sacramento Valley Organizing Committee, Lee Ann Hall of the Northwest Federation of Community Organizations, John Donahue of the Chicago Coalition for the Homeless, Geoff Canada of the Harlem Children's Zone, Wing Yang of the Chinatown Organizing Project in New York City, Dorothy Stoneman of YouthBuild,

and on and on and on.

This is really what Paul Wellstone was about. This is why my remarks are in his memory as well as in memory of Mario Olmos, because Paul Wellstone's politics were unlike anyone who has served recently in the United States Senate, including people I revere, like Ted Kennedy. This is a politics based on building from the ground up. There are two key words here—empowering and power. Empowering means giving people a sense of efficacy, of being effective. Power is what we are after, and power is what we are going to achieve.

What are the elements of action? One level has to be messages through the mass media, in every way we can think of. The right has been all too skilled at honing politically effective messages—think, for example, of how they have sold people who will never amass enough wealth to have to pay the estate tax on the idea that it is a “death tax” which is terribly unfair.

At the local level, the people who are doing great work now, especially those who are delivering services and building houses and helping others in other ways, need to get more political—to see that public policy affects their work, to see that who runs for office makes a difference for their work, to see that people who hold office can be more responsive if they feel some pressure. Millions of people volunteer their time with great generosity to help others, and don't see that much of the need for what they do is because of failures of public policy. There is an enormous challenge to get them to see the connection.

If I can say a word to the students, we need you to be full-time public interest lawyers if you can swing it financially. If you choose private practice, you can make a valuable contribution, too, not only by giving of your professional time on a pro bono basis, but by being a civic and community leader. We always need people who are well connected to use those connections for better public policy.

Paul Wellstone always closed his speeches by quoting Sojourner Truth, who said routinely in her speeches that she was “on fire” for her cause of abolishing slavery. Paul would then say, fervently, “I'm on fire for economic justice, I'm on fire for social justice, I'm on fire for racial justice.” We need some passion in our work and in our commitment to change. We need to be on fire, as Paul Wellstone was, as Sojourner Truth was. In the book of Ecclesiastes it says, very succinctly, “There is a time to listen and a time to speak.”³⁹ Now, as much as at any time ever, is a time to speak.

39. *Ecclesiastes* 3:7.

