THE POOR PEOPLE'S CAMPAIGN

A NATIONAL CALL FOR MORAL REVIVAL

Poverty takes an enormous toll on this country and its people every day. The economic and social costs of poverty and the injustices of systemic racism, militarism and ecological devastation are unsustainable. The United States has the wealth to end these interlocking injustices, but the political will is lacking. This is why we are organizing among those most impacted by these injustices to compel this country to take action. Fight poverty, not the poor!

The economic and social costs of poverty are high:

- Child poverty costs more than \$1 trillion per year in lost economic productivity, increased health and crime costs, and increased costs resulting from child homelessness and maltreatment.¹
- Unstable housing among families with children will cost the U.S. \$\frac{\$111 \text{ billion}}{2}\$ in avoidable health and special education costs over the next ten years.²
- Hunger costs \$160 billion per year in increased health care costs and another \$18.8 billion to poor educational outcomes.³
- Public assistance programs spend \$153 billion a year as a direct result of low wages.4
- 250,000 die of poverty and inequality every year.⁵

The costs of economic inequality, systemic racism, ecological devastation, and militarism are high:

- Gender⁶ and racial wage gaps⁷ cost workers \$2.6 trillion per year in lost earnings.
- Mass incarceration costs \$179 billion⁸ per year for policing, courts and private operations and another \$78-87 billion⁹ in lost job opportunities after being incarcerated.
- Our immigration system costs \$123 billion in lost contributions to GDP. 10
- Our current health care system costs individuals \$1.69 trillion on private insurance and out of pocket expenses. 11
- Inaction on climate change is estimated to eventually cost our economy \$3.3 trillion every year. 12
- Our government has spent \$6.4 trillion on wars since 2001. 13
- Our government lost \$1.3 trillion by lowering the corporate tax rate from 35% to 21% in 2017. After receiving these tax cuts, U.S. corporations announced \$936 billion in stock buybacks, giving the money back to themselves.¹⁴

While investing in anti-poverty and social programs has economy-wide benefits:

- Raising the federal minimum wage from \$7.25 to \$15 per hour would put \$328 billion into the hands of families and households, who will spend most of that back into the economy. Raising the minimum wage by just \$2 could have prevented more than 57,000 suicides between 1990-2015.
- For every \$1 per hour that wages rise among workers in the bottom 60% of earners, spending on government assistance programs falls by roughly \$5.2 billion. 17
- \$1 billion in SNAP benefits creates \$1.70 billion in economic growth. ¹⁸ In rural areas, SNAP benefits <u>created jobs</u> in counties where benefits were received and in neighboring counties, creating more jobs per dollar than an investment in the military. ¹⁹
- Every \$1 invested in early childhood education leads to \$7.30 in savings from increased earnings, better health, and lower incarceration rates.²⁰
- A \$100 billion infrastructure investment could create 1 million jobs and lead to \$150 billion in economic growth.²¹
- Investing \$37.2 billion in critical water infrastructure could create 700,000 to 945,000 jobs across the economy. ²²
- Many states that expanded Medicaid under the Affordable Care Act experienced employment growth that was 1.3 percent higher than in states that did not expand Medicaid. 23
- Universal health care would save our economy \$278 billion per year.²⁴
- Investing \$1 million in clean energy, education, health care or infrastructure would <u>create more jobs</u> than investing that same \$1 million in the military.

THE POOR PEOPLE'S CAMPAIGN

A NATIONAL CALL FOR MORAL REVIVAL

- 1. Michael McLaughlin, Mark R. Rank. "Estimating the Economic Cost of Childhood Poverty in the United States." Social Work Research, Vol. 42, Issue 2, June 2018, Pages 73-83. https://doi.org/10.1093/swr/svy007.
- 2. Ana Poblacion, PhD, MSc; Allison Bovell-Ammon, M.Div.; Richard Sheward, MPP; et. Al. "Stable Homes Make Health Families." Children's Healthwatch, July 2017. Accessed Jan. 21, 2020. https://childrenshealthwatch.org/wp-content/uploads/CHW-Stable-Homes-2-pager-web.pdf.
- 3. John T. Cook, PhD, MAEd., and Ana Paula Poblacion, MSc. "Appendix 2: Estimating the Health-Related Costs of Food Insecurity and Hunger." Bread for the World Institute, 2016. Accessed Jan. 21, 2020. https://www.bread.org/sites/default/files/downloads/cost of hunger study.pdf.
- 4. Ana Paula Poblacion, MSc, Ken Jacobs, Ian Eve Perry and Jenifer MacGillvary. "The High Public Cost of Low Wages." UC Berkeley Labor Center. April 13, 2015. Accessed Jan. 21, 2020 from http://laborcenter.berkeley.edu/the-high-public-cost-of-low-wages/.
- 5. Sandro Galea, et al, "Estimated Deaths Attributable to Social Factors in the U.S", American Journal of Public Health, August 2011, Vol 101, No.
- 6. "Pay Equity and Discrimination," Institute for Women's Policy Research, accessed February 9, 2019, https://iwpr.org/issue/employment-education-economic-change/pay-equity-discrimination/
- 7. Sarah Treuhaft, Justin Scoggins, and Jennifer Tran, "The Equity Solution: Racial Inclusion Is Key to Growing a Strong New Economy," PolicyLink, October 22, 2014, https://policylink.app.box.com/v/equity-brief.
- 8. Peter Wagner and Bernadette Rabuy. "Following the Money of Mass Incarceration," Prison Policy Initiative, January 25, 2017, https://www.prisonpolicy.org/reports/money.html.
- 9. Cherrie Bucknor and Alan Barber, "The Price We Pay: Economic Costs of Barriers to Employment for Former Prisoners and People Convicted of Felonies," Center for Economic and Policy Research, June 2016, http://cepr.net/images/stories/reports/employment-prisoners-felonies-2016-06.pdf.
- 10. Ryan Edwards, Francesc Ortega, "The Economic Contribution of Unauthorized Workers: An Industry Analysis," Regional Science and Urban Economics 67 (2017): 119-134, https://doi.org/10.1016/j.regsciurbeco.2017.09.004.
- 11. Robert Pollin et al., "Economic Analysis of Medicare for All," Political Economy Research Institute, November 30, 2018, https://www.peri.umass.edu/publication/item/1127-economic-analysis-of-medicare-for-all.
- 12. Poor People's Moral Budget: Everybody Has the Right to Live, 2019, p. 95. Calculation by authors based on GDP figures from the Bureau of Economic Analysis.
- 13. Costs of War Project, Watson Institute of International and Public Affairs, Brown University. Accessed January 20, 2020. https://watson.brown.edu/costsofwar/.
- 14. "Stock Buybacks," Americans for Tax Fairness (ATF), accessed February 18, 2019, https://americansfortaxfairness.org/stock-buybacks/.
- 15. David Cooper. "How we can save \$17 billion in public assistance annually." Talk Poverty, February 18, 2016. Accessed Jan. 21, 2020. https://talkpoverty.org/2016/02/18/can-save-17-billion-public-assistance-annually-minimum-wage/.
- 16. John A Kaufman, et al, "Effects of increased minimum wages by unemployment rate on suicide in the USA", J Epidemiology and Community Health 2020:0:1–6. doi:10.1136/iech-2019-212981.
- 17. David Cooper. "Balancing paychecks and public assistance." Economic Policy Institute. February 3, 2016. Accessed Jan. 21, 2020 from epi.org/publication/wages-and-transfers/.
- 18. Alan S. Blinder and Mark Zandi. "The Financial Crisis: Lessons for the Next One." Center on Budget and Policy Priorities. October 15, 2015. Accessed Jan. 21, 2020. https://www.cbpp.org/research/economy/the-financial-crisis-lessons-for-the-next-one.
- 19. John Pender, Young Jo, Jessica E. Tood, and Cristina Miller. "The Impacts of Supplemental Nutrition Assistance Program Redemptions on County-Level Employment." United States Department of Agriculture. May 2019. Accessed Jan. 21, 2020.
- https://www.ers.usda.gov/webdocs/publications/93169/err-263.pdf?v=1509.3.
- 20. Jorge Luis García, James J. Heckman, Ducan Ermini Leaf, and María José Prados. "Quantifying the Life-cycle Benefits of an Influential Early Childhood Program." February 5, 2019. https://www.nber.org/papers/w23479.pdf?sy=479.
- 21. Josh Bivens. "The potential macroeconomic benefits from increasing infrastructure investment." Economic Policy Institute. July 18, 2017. Accessed Jan. 21, 2020. https://www.epi.org/publication/the-potential-macroeconomic-benefits-from-increasing-infrastructure-investment/
- 22. "Water. Jobs. Justice. The Case for the Water Affordability, Transparency, Equity and Reliability (WATER) Act." Food and Water Watch. February 2019. Accessed Jan. 21, 2020. https://www.foodandwaterwatch.org/sites/default/files/fs_1902_waterjobsjustice-wateractupd2-web.pdf
- 23. Bryce Ward and Brandon Bridge. "The Economic Impact of Medicaid Expansion in Montana: Updated Findings." Bureau of Business and Economic Research, University of Montana. January 2019. https://mthcf.org/wp-content/uploads/2019/01/Economic-Impact-of-MedEx-in-MT 1.28.19-FINAL.pdf.
- 24. Robert Pollin et al., "Economic Analysis of Medicare for All," Political Economy Research Institute, November 30, 2018, https://www.peri.umass.edu/publication/item/1127-economic-analysis-of-medicare-for-all.
- 25. Heidi Garrett-Peltier, "Job Opportunity Cost of War." May 24, 2017,
- $\frac{https://watson.brown.edu/costsofwar/files/cow/imce/papers/2017/Job%20Opportunity\%20Cost%20of\%20War%20-\%20HGP\%20-\%20FINAL.pdf.$