



The Struggle Is Real

A Look at Poverty

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Beginning with extensive mathematical, budgetary research on the expenses of minimum-wage households, Emily Rand, Caitlyn Hatfield, Mikaela Malloy, and Shelby Strangfeld conclude that working-class families in Oklahoma face a steep uphill battle in attaining their basic financial needs. The authors weigh their own findings against a spectrum of ideological positions to demonstrate how financial realities measure against political belief in America. This essay was written for Political and Economic Systems and Theories with Drs. Alex Kangas and Aleisha Karjala.

POVERTY IS DEFINED AS the scarcity of material possessions or money. A person is poor if they fall below the current societal standards of living. Currently, 15.8% of Oklahomans fall under the poverty line, but perhaps a more sobering thought is the number of children that fall under this line as that percentage increases to 21.5%, meaning that nearly 1 in 5 Oklahoma children lives in a household with income below the poverty line (Cullison). In this paper, we examine our hypothetical budget for a single mother of two using the Economic Policy Institute's (EPI) projected yearly

budget for this size of family, as well as examining how these numbers compare to a family of two working parents and two children; after looking at these items, we will also examine the current financial situations of minimum-wage workers in Oklahoma and how the poverty line fails to align with reality these families face financially. Additionally, we will discuss how the different ideological perspectives view minimum wage, as well as our thoughts on the subject.

For this essay, we began by estimating a monthly budget for a family of three in the Oklahoma City metro area. Generally, our group's guesses were close to what EPI estimated; however, our transportation and healthcare guesses were the furthest off from what was estimated. In the transportation section, we estimated \$300 a month if the mother was filling up her tank once a week, 4 times a month, at \$2.50 per gallon in a 15-gallon tank. But we did not account for insurance or car payments, so we were more than \$700 under EPI's \$1,006 estimate. And in the healthcare segment, we were less aware of what these numbers should look like, as most of us are still on our parents' insurance plans. So, once again, we were underbudget by more than \$300, as we guessed \$500 a month, and EPI's estimate was \$833. Our other guesses for the monthly budget section include housing at \$750, the food at \$600, childcare at \$1400, other necessities at \$480, and the amount for taxes was given to us at \$800. Meanwhile, EPI's monthly estimates were \$851 for housing, \$555 for food, \$1225 for childcare, \$567 for other necessities, and \$800 for taxes. This leaves our monthly budget totaling to \$4,830 and EPI's monthly budget totaling \$5,839 ("Family Budget Calculator").

After comparing the two sets of numbers, we calculated what this mother would be making per week if she worked 40 hours a week while making the minimum wage in Oklahoma—\$7.25. Her weekly pay before taxes comes out to \$290 per week. Monthly, she makes about \$1,160 if the month has 4 weeks; however, a more accurate number comes from multiplying that weekly number by 52. This gives us her yearly earnings and leaves her making \$15,080 a

year, significantly below the poverty line, which lies at \$21,330 for a family of 3. Next, we looked at changing the family composition to include two working adults (both making minimum wage) and totaled up their yearly earnings before taxes to come up with the number of \$30,160. Unfortunately, the poverty line for a family of 4 is \$25,750—a number that doesn't reflect the addition of a second income, even for minimum wage workers (“Poverty Guidelines”).

Families that fall below the poverty line have a few different benefits or assistance programs available to them, but the quantity of available benefit programs becomes more limited as the family makes more money. One example of a program that both families would potentially qualify for is the Head Start Program. Head Start is one of the longest-running programs to help children in poverty, and the mortality rates among children ages 5-9 have fallen due to screenings conducted as part of Head Start's health services. Launched in 1965, this program helps fight systemic poverty through education (Sherman et al.). Over 20 million children have been helped by this program, which is available to families making less than \$2,925 a month with two children in care (Rachidi). If both parents make \$580 together before taxes in a week, and a month is constituted of 4 weeks, then this leaves both of our families qualifying for this assistance, because even the double-income family is left making only \$2,320 a month before taxes.

Other programs like the federal Supplemental Nutrition Assistance Program (SNAP) provide access to food through an ACCESS Oklahoma Card—a card provided by Department of Homeland Security (DHS), which is sent to the family and loaded with money for food each month based on the size of household, income, and allowed expenses (“Supplemental Nutrition Assistance Program”). Despite the importance of food for basic survival, this benefit is less widely available, as seen by how our family of 3 would qualify for it, but our family of 4 would likely not. For a family of 3, the monthly gross income cannot exceed \$2,177, but for a family of 4, this num-

ber increases to only \$2,628, which puts our 4-person family dangerously close to not qualifying, as in just a 4-week month they were already pulling in \$2,320.

Another, more selective, program is Medicaid (“SoonerCare”). This program provides coverage for low-income children and adults. Children under Medicaid are provided with the medical attention they need, such as check-ups that can spot health issues early on. Adults under Medicaid are less likely to go into debt, they have access to preventive care, and they have a lower mortality rate compared to the adults who lack insurance. However, many working-poor parents are not eligible for Medicaid because states have set eligibility limits for parents far below the poverty line if their earnings reach 61% of that line (Sherman). In Oklahoma, the guidelines for our families leave all of the children in both families qualifying for Medicaid, but none of our working parents would qualify. Even the mother making only about \$15,000 a year makes nearly \$6,000 too much (statistically) to qualify under the current guidelines.

Our fulltime, working mother of two earns less than half of what the IEP estimates should be in a minimum monthly budget. If she makes \$15,080 a year, and the IEP estimates that a minimum monthly budget is \$5,839, then it’s excruciatingly obvious that the minimum wage doesn’t support even the basic living expenses of those it’s meant to maintain. The government treats the poverty line as though it is a good indicator of the poverty in America; however, from all of this information we can see how families that don’t fall under those lines aren’t thriving. In fact, they’re hardly surviving—and these lines are so grossly low that when someone makes even just \$500 more, they may be missing out on thousands of dollars of government assistance that the “extra” \$500 comes nowhere near covering. Seeing the numbers splayed out this way makes it impossible for our team to feel as though the minimum wage shouldn’t be increased, because a mother working 40 hours a week to support her children shouldn’t be struggling to afford basic necessities.

While our group sees a great need to increase the minimum wage, not all four political perspectives would agree. One of those that wouldn't agree to increase the minimum wage is the Classic Liberal perspective because this perspective believes that hard work will be naturally rewarded by the market. For example, Classical Liberals believe that people with limited skillsets need to improve those skills to make themselves more marketable and therefore worth more in wages than a less proficient worker. Many Conservatives also disagree with raising the minimum wage, but for different reasons. One of these reasons is because the Conservative perspective opposes government interference; furthermore, offering assistance of this magnitude would, in Conservatives' minds, be overstepping the responsibilities of government. This perspective believes that poor people were born into their roles as poor people to satisfy the natural order of society; however, some Conservatives would potentially be inclined to agree with the minimum wage increase if this increase were posed as being essential to helping the family unit—such as allowing parents more time to bond with children instead of working.

The two perspectives that would agree with raising the minimum wage are Radicals and Modern Liberals. Modern Liberals are most likely to be in full support of raising the minimum wage, because they see the need for equality in the market that prevents discrimination of race and gender—two types of discrimination that can affect a person's likelihood of receiving a raise regardless of that person's work-related qualities (such as skill, work ethic, etc.). Modern Liberals also believe that wealth needs to be distributed evenly, and our research shows that the current minimum wage does not uphold this value. Modern Liberals emphasize the importance of human rights and freedom, and, to uphold those ideals, the basic necessities for life need to be accessible through means like a minimum wage that enables citizens to obtain these “qualifiers of freedom” that the Modern Liberals believe everyone is entitled to. Likewise, most Radicals would agree because, by increasing the

minimum wage, lawmakers allow more people to afford (mentally and financially) to do what they please, which is an integral idea in the Radical concept of freedom. And, since increasing the minimum wage would increase the number of people who have access to the necessities needed to survive, more people will be able to meaningfully contribute to society, thereby furthering the development of said society and efficiency—a primary goal in Radical ideology. An example of this is that a mother may be able to stay home with her child when that child is sick if money isn't so tight that she is unable to miss even a single day of work. When an increase in the minimum wage allows for enough financial stability to attend to minor illnesses when those illnesses are in their beginning stages, the mother (or parent) can immediately attend to their child and consequently avoid letting that illness progress to a point where it would be more costly and result in her missing more work in the long run—something that hinders the overall efficiency of society on a larger scale.

Throughout this project, our team got a glimpse into the financial hardships that many people face when trying to provide for themselves and their dependents on a minimum wage-based income. Although we all knew that the minimum wage wasn't a sufficient enough income to live luxuriously on, we were startled to realize just how insufficient it truly was—a year's pay wouldn't even support our mother of two children for more than three months despite being the result of 2,080 hours' worth of work. We also came to realize that benefits and assistance for these families don't function as the "safety net" many have been led to believe. This led our team to conclude that the minimum wage should be raised, much to the chagrin of the Classic Liberal and Conservative perspectives. Overall, our team aligned with the Radicals and Modern Liberals, who we think would agree—the struggle is real.

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