

Class Matters

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Are We Created Equal? Family Circumstances and Future Economic Success

“All men are created equal.” For now, we will excuse the gendered nature of this statement and understand the United States was not ready to give equality to women, while President Lincoln felt it was high time African Americans enjoyed the blessings of the system of equality the forefathers intended.

While Lincoln’s statement was about race, this article is about all attributes that challenge Lincoln’s statement and the distinctly American belief that we all start out with the same chances and the same opportunities, and therefore, bear individual responsibility for economic or personal success or failure. Americans hold strong merit based values – the cream rises to the top; those that work the hardest are the most successful; anyone can partake of the American dream if they just work hard enough. The merit based value system holds even more sway in our political system and our values about work, morality, and those that do not “make it.” According to this belief system, low income families do not work hard enough, do not follow the rules, are lazy, and do not take personal responsibility for their future. Instead, they expect the government to take care of them; and they expect to live off the labor of hard working Americans.

While research on poverty and family systems has challenged the idea that anyone can achieve the American Dream, the research has either not reached decision makers’ or the public’s ears, or they have chosen to ignore the possibility that the capitalistic system leaves some people behind. Certainly, the middle class under-

stands that they are losing financial ground in the current economic situation. Recent figures from the U.S. Census Bureau indicate that real median income (adjusted for inflation) has declined for all quintiles of United States households **EXCEPT** the highest quintile. According to the Census Bureau, in 2004, the highest quintile (or 1/5th of the population) held 50.1% of median income dollars. In 2005, the same quintile held 50.4% of median income dollars. Table I shows the percentage of median income dollars held by each quintile and per capita income by racial groups in 2004.

According to our merit based value system, equal opportunity for educational and occupational advancement can and should ensure that each child has a fair chance of economic success – and an opportunity to move into higher quintiles. At the same time, parents have the right and duty to prepare their children as best they can for a secure economic future. However, this is not the reality. As documented in *Unequal Chances: Family Background and Economic Success*, there are strong tendencies for parents in the bottom quintiles to find their children in the bottom quintiles, with a corresponding tendency for children born to parents in the top quintiles to end up also at the top. The research from the book’s authors does much to dispel the myth that intergenerational inequality is not to parents passing superior IQ to their children. Instead, much is due to parents passing material wealth to their children, at least for those at the top of the income distribution. The author’s research also shows a major role for environmental influences of family, neighborhood and school in the economic outcome of children.

To see how the data looks divided by financial quintile and race, see the table on page two.

Table I: Income and Earnings by Quintile and Racial Group – 2004 and 2005 (Source: U.S. Census Bureau).

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Characteristic	2004	2005		
Shares of Household Income by	Number (Thousands)	Percent of total	Number	Percent
Lowest Quintile	22,669	3.4	22,877	3.4
Second Quintile	22,669	8.7	22,877	8.6
Third Quintile	22,669	14.7	22,877	14.6
Fourth Quintile	22,669	23.2	22,877	23.0
Highest Quintile	22,669	50.1	22,877	50.4
Per Capita Income by Racial Group	Number	Median Income		
White	234,116	26,067		
White, not Hispanic	195,347	28,357		
Black	36,548	16,561		
Asian	12,241	27,040		
Hispanic origin (any race)	41,840	14,577		

Pilot Programs Strive to Decrease Idaho Poverty Rates

Circles of Support

Throughout U.S. history, people have sought ways to alleviate the impact of poverty. From colonial days of poor houses to the 1960s War on Poverty to welfare reform in the late 1990s, people have worked to bring the blessings of a free society to all through fair compensation for work and with aid to those unable to work due to age or disability. Unfortunately, our efforts have not met with success.

The Circles Initiative is an endeavor of Community Action Partnership with two Idaho programs – one in Sandpoint and another in Lewiston. CIRCLES provide high impact strategies to end poverty. Circle Initiative goals include: changing the community’s mindset about poverty, changing the political and economic system, and empowering people to self-organize. The Circles Initiative believes that people in poverty need resources – not only financial resources, but social, emotional, and psychological resources. The Initiative also believes that all the resources individuals and families need are already in the community. A disconnect is created when caring people do not know

how to help. Participation in the Circles Initiative provides that setting by creating intentional friendships between people who would generally not have the opportunity to meet and become friends.

Circle Leaders are individuals or families motivated to make changes in their lives so they can move out of poverty. Circle Leaders attend weekly leadership meetings and meet with their Circle (Leaders and three Allies). Circle Leaders create goals and receive support from their Allies. When Leaders and Allies work together, goals become achievable.

Community volunteers are called Allies. Circle Allies provide support, community connections, and tools to help families set goals and strategize ways to meet those goals. Allies offer friendship and a compassionate heart that has a desire to understand the issues that families in poverty face every day.

Horizon Communities Learn Leadership Skills

The University of Idaho led Horizons Program funded by Northwest Area Foundation Horizons program sponsored training by the Pew Partnership for Civic Change for representatives from 14 Idaho communities from Cascade to Bonners Ferry in March 2007.

In the six months since the Horizons program began, more than 600 community members turned out to talk about the futures of their towns. The leadership training will help communities create a future where everyone has an opportunity to thrive, said Mary Schmidt, a University of Idaho Extension professor who directs the program. "We're trying to build the leadership capacity in these communities to be able to handle challenging issues and to work together in the future," she said.

The Foundation's goal for the Horizons program is to help communities develop leadership to address poverty. The leadership training is scheduled to be completed by July and will phase into another community-wide effort to envision a course for action by early fall. "The leadership training requires an investment of 30 hours by participants, so it's very intensive," Schmidt said.

For the following eight months after developing a vision for the communities, Horizons will work to connect communities to resources that will help them put their plans in action, she added. The University of Idaho employs coaches to help the communities work through the program.

The 14 Horizons communities actually involve 23 towns. Several areas, such as Silver Valley and the Coeur d'Alene Reservation share close ties, such as schools or cultural heritage. Each community chooses its own direction. In Riggins, Kendrick and other communities, Schmidt said, youths still in high school have stepped forward to take leadership roles in some of the activities.

The Horizons program began in 2004 in Idaho with three communities, Kamiah, Orofino and Elk River. Schmidt said the foundation has said it hopes to expand the program to other communities in the future.



Class Matters is published 4 times per year by University of Idaho Extension in Bonner County. Comments or suggestions should be addressed to the editor: Susan Traver, 4205 N. Boyer, Sandpoint, Idaho 83864. Email: straver@uidaho.edu.

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County	Overall Poverty Rate (%)	18 and under (%)	5 and under (%)	65 and over (%)
Blaine	5.9 (44)	7.7 (44)	11.3 (42)	5.3 (44)
Butte	13.4 (10)	18.6 (9)	41.6 (1)	8.1 (8)
Camas	7.3 (43)	9.2 (43)	17.8 (28)	8.5
Cassia	14.7 (5)	19.8 (5)	23.1 (12)	8
Custer	10.8	15.4	18.6	12.8 (3)
Gooding	12.4	17.4	16.7	11.3 (10)
Jerome	13.2	18.2 (11)	25.1 (9)	9.9
Lemhi	12.6	18	25.8 (7)	10.3
Lincoln	10.4	14.9	21.5 (15)	7.0 (37)
Minidoka	13.1	18.1	25.6 (8)	9.0
Twin Falls	12.5	16.5	23	9.3
State Rates	11.5	15.1	17.3	8.3

Community Development

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Poverty Rates for Counties in District III Extension
 Number in parentheses indicate rank in state, 44 lowest, 1 highest.
 Next issue, District IV.

