Better Lipstick, Same Pig: Strategies to respond to the House GOP poverty plan and pivot to a progressive agenda

Melissa Boteach
Vice President, Poverty to Prosperity Program

June 16, 2016
Agenda

• What Speaker Ryan gets wrong about poverty in America

• Rhetoric vs. reality: How to talk about Ryan’s plan

• Pivoting to a progressive agenda

• Q&A
Speaker Ryan vastly misunderstands poverty in America

• Roughly 1 in 3 Americans struggle to make ends meet

• New CAP analysis: If not for the dramatic rise in economic insecurity since 2000, nearly 13 million fewer Americans would be living on the brink today

• Leading drivers of poverty in the US: job loss or cutbacks in hours, birth of a child, or onset of an illness/disability
Poverty is “musical chairs”

FIGURE 1
The poor are not a stagnant group
Millions of people enter and exit poverty each year

Population in poverty in 2009 but out of poverty by:
- 2010: 9.2M
- 2011: 12.5M
- 2012: 14.8M

Population not poor in 2009 but in poverty by:
- 2010: 9.9M
- 2011: 13.4M
- 2012: 15.7M

Note: Because of sampling and survey design difference, the Survey of Income and Program Participation, or SIPP, yields somewhat lower population estimates than the Current Population Survey, or CPS, which is the main source of national poverty estimates. For this reason—and because it captures a greater number of income sources—SIPP also yields somewhat lower poverty rates than the CPS. Thus, relative to the CPS, these figures likely underestimate the flux into and out of poverty over this period.

He also mischaracterizes the safety net

• Without vital programs like Social Security, nutrition assistance, tax credits for working families, our nation's poverty rate would be nearly twice as high as it is today.

• They don’t just mitigate hardship in the short-term -- also boost mobility in the long-term by improving health, educational attainment, and earnings.

• 70% of Americans will need to turn to the safety net at some point.
Ryan’s plan in a nutshell

**Housing:** slashes housing aid amid an affordable housing crisis, when just 1 in 4 eligible people receive help through already under-funded programs

**Social Security:** eliminates or drastically reduces critical benefits for disabled children through Supplemental Security Income

**School lunches:** slashes school nutrition programs for hungry kids—without any plans to address summer hunger

**Childcare:** cuts Headstart and childcare, when just 1 in 6 eligible children receive assistance through an already under-funded program
Ryan’s plan in a nutshell

**Student loans:** their proposals would actually *increase* student loan debt, by rolling back federal Pell Grants

**Rolls back consumer protections:** blocks the Obama administration’s recent rule to protect borrowers from predatory payday lenders who charge usurious rates, and legalizes bad financial advice by abolishing DOL’s recently released “fiduciary rule”

**Unemployment Insurance:** cuts jobless benefits—as families are climbing out of the deepest downturn since the Great Depression
Ryan plan cannot be divorced from GOP budgets

• *Don’t be fooled by their fancy new rhetoric.* You can’t separate the GOP’s so-called poverty plan from a budget that gets **three-fifths of its cuts** from programs that help low- and moderate-income Americans, while protecting tax cuts for the wealthy and corporations.

• *Ryan’s proposals are spelled C-U-T.* Their plan amounts to little more than slashing effective investments that help families get the child care, nutrition, and education they need.
Ryan’s plan in a nutshell

• Emphasis on work requirements—instead of job creation or policies to boost wages

• Work requirements are NOT a solution to poverty

• Grounded in GOP’s misperceptions that:
  1) TANF is a model for other assistance programs, and
  2) poor people don’t want to work
Cutting through the buzzwords

• Claims about providing states “flexibility” or “consolidating” / “streamlining” programs to make them simpler and reduce “overlap” are block grants dressed up in lipstick and pearls

• Ryan cloaks his plan in “evidence-based” language, but history shows he’s not serious when it comes to using evidence to inform policy

  ✓ CAP: “Three Ways to Tell Someone Is Serious About Evidence-Based Policy” http://ampr.gs/25ICQ5J
Just as notable as what’s in Ryan’s plan is *what it omits*

• Total absence of any policies that would actually move the needle on poverty and opportunity

  ✓ Where is the job creation?

  ✓ Where are the policies to boost wages?

  ✓ Where are the policies to address barriers to work, e.g. lack of affordable, quality childcare; lack of paid sick days; unpredictable schedules...
Reps. Paul Ryan Said

What do we want? A healthy economy. And a big part of that is having a strong safety net—both for those who can’t help themselves and for those who just need a helping hand.

He Voted

- Against a minimum-wage increase
- For cuts to nutrition assistance for struggling families
- For cuts to Medicaid

If Republicans were serious about cutting poverty, they’d reject policies that put their millionaire and billionaire friends first and embrace policies that actually benefit working families.
A Progressive Agenda to Cut Poverty and Expand Opportunity

By Melissa Boteach, Rebecca Vallas, and Eliza Schultz   June 2016

Available at: ampr.gs/25HMXEn
The power of the pivot

Paul Ryan is set to roll out a conservative economic agenda. Here's a progressive response to it.

---

Republicans Struggle to Make Their Anti-Poverty Plan Heard

House Speaker Paul Ryan forges ahead with the first plank in a substantive policy agenda—and promptly gets drowned out by Donald Trump.
If the GOP were serious, they would focus on:

- **Job creation**: investments in infrastructure, education, and research and development; as well as pathways to good jobs, such as apprenticeships, national service, and subsidized employment.

- **Minimum wage**: Ryan claims he wants to “push wages up,” but has voted against raising the MW at least 10 times. Raising the federal minimum wage to $12/hour would lift >4.5 million out of poverty and save $53 billion in SNAP over 10 years.

- **Ensure basic living standards**: instead of slashing vital programs, need to expand Social Security, strengthen EITC for childless workers & child tax credit, reform counterproductive asset limits.
If the GOP were serious, they would focus on:

• **Work-family policies**: closing the gender wage gap would cut poverty for working women and their families in half; also need paid family and medical leave, work schedules that work, paid sick days to ensure parents aren’t forced to choose between work and caregiving

• **Human capital**: investments in high-quality, affordable child care, pre-K for all through a partnership with the states, higher education, and job-training

• **Remove barriers to opportunity**: place-based solutions to ensure a child’s zip code does not determine her life chances; second-chance policies for people w/criminal records; protecting workers from predatory payday lending
Related resources

A Progressive Agenda to Cut Poverty and Expand Opportunity (June 2016) (available at: ampr.gs/25HMXEn)

Three Ways to Tell If Someone Is Serious About Evidence-Based Policy (June 2016) (available at ampr.gs/25ICQ5J)

Yes, America Can Afford to Dramatically Reduce Poverty and Increase Opportunity (April 2016) (available at: ampr.gs/25ICQ5J)

TalkPoverty.org #TalkPoverty
Questions?

Melissa Boteach
mboteach@americanprogress.org

Rebecca Vallas
rvallas@americanprogress.org