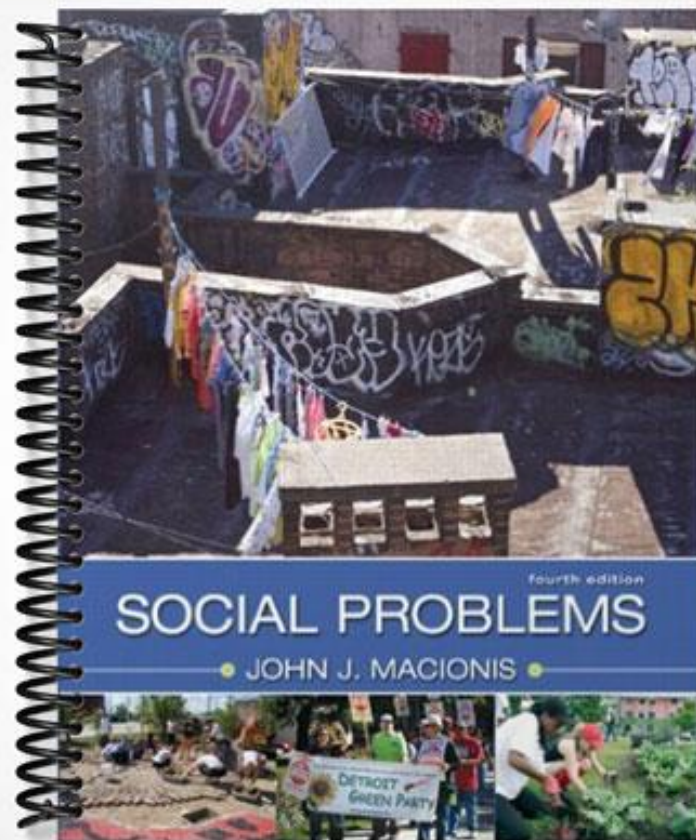


SOLUTIONS MANUAL



CHAPTER 2

POVERTY AND WEALTH

CHAPTER UPDATE

In this fourth edition of the text, Chapter 2 has been updated in a number of ways. There is a new chapter opening which uses the scandal over taxpayer-funded bonuses going to AIG executives to raise the larger question of fairness of economic inequality in U.S. society. Throughout the chapter, the latest data on income and wealth are presented. This includes the latest trends in economic inequality and the Obama administration changes in tax policy. Numerous discussions include the recession that began in 2008 and its effects on poverty and unemployment. The chapter also has new student annotations, as well as new instructor annotations. Finally, there is a new end-of-chapter photo essay.

CHAPTER OUTLINE

Economic Inequality in the United States

Inequality of Income and Wealth

Thinking Critically: “Haves” and “Have-nots”: Is Income Inequality a Problem?

Taxation

The Rich and the Poor: A Social Profile

The Rich

The Poor

The Poverty Line

The Poverty Gap

Personal Stories: The Reality of Poverty: Living on the Edge

The Poor: A Closer Look

Age

Diversity: Race, Class, and Gender: The United States: A Land of Poor Children

Race

Gender

Family Patterns

Region

Working Families: Working Harder

The Working Poor

The Non-Working Poor

The Underclass

Problems Linked to Poverty

Poor Health

Substandard Housing

Homelessness
Limited Schooling
Crime and Punishment
Political Alienation

Responding to Poverty: The Welfare System

Thinking Critically: An Undeserved Handout? The Truth about "Welfare"

A Brief History of Welfare

The Colonial Era

The Early Industrial Era

The Twentieth Century

A Defining Moment: U.S. Society "Discovers" Poverty

The 1996 Welfare Reform

Theoretical Analysis: Understanding Poverty

Structural-Functional Analysis: Some Poverty Is Inevitable

Social Pathology Theories: Personal Deficiency

Social Disorganization Theory: Too Much Change

Modern Functional Theory: Inequality is Useful

Critical Review

Symbolic-Interaction Analysis: Defining the Problem

Critical Review

Social-Conflict Analysis: Poverty Can Be Eliminated

Marxist Theory: Poverty and Capitalism

More Than Money: Cultural Capital

Feminist Theory: Poverty and Patriarchy

Multicultural Theory: Poverty, Race, and Ethnicity

Intersection Theory: Multiple Disadvantage

Critical Review

Politics and Poverty: Constructing Problems and Defining Solutions

Conservatives: Personal Responsibility

Liberals: Societal Responsibility

The Radical Left: Change the System

Going On from Here

Defining Solutions: Is Social Inequality A Problem?

TEACHING OBJECTIVES

After reading CHAPTER TWO, the student should:

1. Discuss social stratification and social class.
2. Discuss life chances and explain how life chances are shaped by social class.

3. Distinguish between wealth and income.
4. Describe the distribution of wealth and income in the United States today.
5. Distinguish between progressive and regressive taxes.
6. Compare and contrast the social characteristics of the rich and poor in the United States.
7. Discuss the “poverty line” and the “poverty gap.”
8. Explain the relationships between poverty and: age, race, gender, family patterns, and region.
9. Explain why working families today are working harder and receiving less.
10. Compare and contrast the working poor, the nonworking poor, and the underclass.
11. Explain how poverty in the United States is linked to poor health, substandard housing, homelessness, limited schooling, crime, and political alienation.
12. Distinguish between conservative and liberal views of the homeless.
13. Describe the role of the mass media in shaping how the public views crimes committed by the poor versus crimes committed by the wealthy.
14. Define social welfare programs and describe the characteristics of the largest social welfare programs in the U.S.
15. Provide an overview of the history of social welfare in the United States.
16. Explain how the welfare system changed as a result of the 1996 Personal Responsibility and Work Opportunity Reconciliation Act.
17. Compare and contrast how conservatives and liberals evaluate the effectiveness of the 1996 Personal Responsibility and Work Opportunity Reconciliation Act.
18. Apply the structural functional, symbolic interaction, and social conflict approaches, including the theories discussed for each approach, to the issue of poverty, and evaluate the criticisms of each approach.
19. Explain how one’s position on the political spectrum guides the construction of poverty as a social problem.
20. Compare and contrast how conservatives, liberals, and radicals construct the issue of income inequality.

21. Describe how policy evaluation, cultural values, and political outlook guide the process of defining solutions to poverty problems.
22. Compare and contrast how conservatives, liberals, and radicals define solutions for poverty.

TEACHING SUGGESTIONS, DISCUSSION QUESTIONS, CLASS EXERCISES/DEMONSTRATIONS, AND STUDENT PROJECTS

1. Kathleen A. Tiemann and her co-authors have devised a novel and creative technique for sensitizing students to social class inequality. Tiemann comments that the major difficulty involved is that most students believe success and failure are due to individual efforts. She proposes a “car (automobile) exercise” as a vehicle for demonstrating how stereotypes are so important in reference to people’s lives – in this case, how the kind of automobile a person owns can be misleading in reference to his/her overall socioeconomic status (“What Kind of Car am I? An Exercise to Sensitize Students to Social Class Inequality,” *Teaching Sociology* Vol. 34 (October, 2006): 398-403).
2. Students who have taken an introductory sociology course prior to enrolling in social problems may have the background necessary to appreciate the concept of social stratification and its implications for poverty. For those students who have not previously enrolled in introductory sociology, an analysis of social stratification and its inevitability in society can help set the stage for a better understanding of poverty. The major positions on this issue are, for the most part, referenced in the text’s discussion, but you may wish to elaborate on them: Weber, Marx, Dahrendorf, Mills, Parsons, Davis and Moor, and Lenski. An excellent source in this regard is Melvin Tumin’s classic work *Social Stratification: The Forms and Functions of Inequality* (Englewood Cliffs, NJ: Prentice hall, 1985).
3. Over the past several years, the publication *Teaching Sociology* has included a number of articles concerning novel strategies for teaching about stratification, social classes, and social mobility. Several articles that may assist you in this regard are: William Brislen and Clayton D. Peoples’ “Using a Hypothetical Distribution of Grades to Introduce Social Stratification,” *Teaching Sociology* Vol. 33, January, 2005: pp 74-80; Wynne Wright and Elizabeth Ransom’s “Stratification on the Menu: Using Restaurant Menus to Examine Social Class,” *Teaching Sociology* Vol. 33, July, 2005: pp 310-316); Laura Nichols, Joshua Berry, and Demetra Kalogrides’ “Hop on the Bus: Driving Stratification Concepts Home,” *Teaching Sociology* Vol. 32, April, 2004: pp 213-221); Debra Wetcher-Hendricks and Wade Luquet’s “Teaching Stratification With Crayons,” *Teaching Sociology* Vol. 31, July, 2003: pp 345-351; Angela J. Hattery’s “Sleeping in the Box, Thinking Outside the Box: Student Reflections on Innovative Pedagogical Tools for Teaching About and Promoting a Greater Understanding of Social Class Inequality Among Undergraduates,” *Teaching Sociology* Vol. 31, October, 2003: pp 412-427; Mark Abrahamson’s “Stratification, Mobility, and a Playing Cards Metaphor,” *Teaching Sociology* Vol. 22, April, 1994: pp 183-188; and Gregg Lee Carter’s “Teaching the Idea of Contextual Effects,” *Teaching Sociology* Vol. 19, October, 1991: pp 526-531.

4. The text discusses the social implications of structural inequality. Catherine L. Coghlan and Denise W. Huggins have devised an exercise using a modified version of the game *Monopoly* to stimulate student reflection and class discussion on social stratification in the United States. Coghlan and Huggins point out that this exercise is effective in social problems courses (“‘That’s Not Fair!’: A Simulation Exercise in Social Stratification and Structural Inequality,” *Teaching Sociology* Vol. 32, April, 2004: pp 177-187).
5. Students sometimes have difficulty evaluating how their “life chances” differ from the truly disadvantaged in our society. Margaret A. Miller has constructed a “Life Chances Exercise” *Teaching Sociology* Vol. 20, October, 1992: pp 316-20 that will be extremely helpful in sensitizing students to this concept.
6. David Shiman (*Economic & Social Justice: A Human Rights Perspective*) has developed an innovative method for exploring stratification that will work in a small-class setting. To engage your students in the Scramble for Wealth and Power, have all students form an even circle around a table with 100 pennies on it. At the sound of go, students are to gather as many pennies as they can without touching anyone else. (Students who touch others are disqualified). Once all pennies are allocated, inform students that pennies represent wealth and power in society. The amount they possess will affect their capacity to satisfy their needs (e.g., basic education, adequate food and nutrition, good health care, adequate housing) and wants (e.g. higher education, cars, computers, toys, television and other luxury items). Divide students into 3 groups; great wealth and power, some wealth and power, and little or no wealth and power. Allow students to give to others if they choose to and if they donate, provide them with the honor of having their name listed on the board as a donor. Next, give each group the task of creating a plan for the fair distribution of the pennies (the world’s wealth). Each group must a) explain what needs to be done (if anything), b) show why their plan is fair, and c) describe what the group plans to do and why. Ask each group to appoint a spokesperson to explain their plan to the others. Afterwards, announce that a vote will now be held on which plan to adopt. When participants are ready to vote, announce that participants with six or more pennies have five votes, those with three to five pennies have two votes, and those with two or fewer pennies have one-half vote. This strategy reinforces the fact that the distribution of power often reflects that of wealth. Have participants vote and tabulate the results. Announce which plan is to be implemented. Carry out this plan, redistributing the wealth if necessary. Discuss the exercise with students. Explain the role of one’s social position in the social construction of: 1) the social problem, 2) the proposed solutions, and 3) ideas of ‘fairness.’
7. Amy Glassmeier and Pennsylvania State University created a Living Wage Calculator (<http://www.livingwage.geog.psu.edu/>) that estimates the cost of living in each area in the U.S. Have your students use the calculator to determine the typical expenses, the living wage, and typical wages for their hometown. Ask students to share their commentary on how realistic the minimum estimate of the cost of living for low wage families is. Allow for an examination of the social forces that impact the social construction of ‘realistic.’

8. Using the local minimum from the city in which your university/college is located, ask students to create a monthly family budget for a family of four. There are two working adults (both making minimum wage) and 2 children in the family. The budget should include housing (use the local want ads to determine housing costs), food, household supplies, electric, gas, water, telephone, childcare, medical care, transportation, entertainment, and miscellaneous. Students should share their experience on the exercise with the class including what they were able to pay for, what they were forced to sacrifice, and their plans for adjusting to life without certain necessities/luxuries (for example, what will you do when you are ill if you do not have health insurance, or how will you get to work if you cannot make a car payment). Allow students to note how one's social position in real society shapes the views within the simulated experience.
9. Arrange a student debate on the issue of taxation. Each student should be given a take-home assignment that involves preparing an argument on the benefits of a society which imposes one of the following: both regressive and progressive taxation, neither regressive nor progressive taxation, progressive taxation only, or regressive taxation only. After students return to class with their written arguments, divide them into 4 teams based on their points of view. Allow for the 4 teams to debate against one another. After the debate, use the remaining class time to discuss how the various teams came to construct their ideas about taxation and the political viewpoints that feed their arguments (conservative, liberal, radical).
10. This exercise will help to explain the importance of social class in people's lives. First, ask your students to locate themselves within the class hierarchy (based upon such indicators as parents' occupation, family income, education level, lineage, etc.). Second, encourage them to think about how their position within the socioeconomic hierarchy has provided them with specific advantages (or disadvantages). Furthermore, ask them to vocalize the contrasts that they can observe between the positions of most college students and that of the poor, particularly in reference to the ability of poor people to improve their life chances.
11. The notion of the "welfare cheater" is almost as popular as the statement above about poverty and work. Many students believe that lots of people on welfare are exploiting the system by "feeding from the public trough" with no intention of getting back on their feet again. One strategy that you can utilize in order to clarify this issue is to have your students confront the welfare bureaucracy head-on, so to speak. Have them find out whether they are eligible for public assistance, and if so, what kind, how much they would receive, and what they would have to go through in order to get it. What they will find out is that the public dole is not that easy to get on in the first place, and what is more, it does not provide enough assistance to make it very attractive. Have your students report their experience to the class.
12. To stress the way that inequality offers advantages and disadvantages, divide the class into four groups and then give each group a different amount of time to finish a quiz, the least amount of time being too brief to do a good job. In addition to the overall lesson on the impact of structured inequality, you may find some variations in student's reactions depending on whether or not they "benefit" from the inequality.

13. Ask your students to conduct an observational analysis of other people's behavior in a shopping mall. Instruct them to watch for nonverbal symbols that provide information about these individual's social class position. In addition to noting such characteristics as the person's clothing, hairstyle, and jewelry, they can also note the type of store the person chooses to shop in or the names of stores printed on the bags where they have made purchases. Students should be able to describe *what* they used as evidence of a person's social class, and also explain *why* the characteristics they observed tell them something about the persons' social class affiliation.

ESSAY QUESTIONS

1. Profile the U.S. poor according to age, race, gender, family patterns, and residence.
2. Compare and contrast the underclass with the rest of the poor in the United States.
3. Identify the five social problems linked to poverty identified in the text.
4. Discuss the controversial history of social welfare in the United States.
5. Compare and contrast the structural functional perspective to the social conflict paradigm's views on poverty.
6. Compare and contrast the benefits and consequences of progressive and regressive taxation. Explain who benefits and who suffers with each.
7. Contrast how conservatives and liberals construct homelessness. Explain how political values are involved in constructing the problem and defining the solution.
8. Explain the mass media's role in the social construction of crimes committed by the poor versus crimes committed by the wealthy.
9. Compare and contrast how conservatives and liberals evaluate the effectiveness of Welfare Reform. Explain how political values impact the measures of assessment.

WEBLINKS

A Biblical View of Wealth and Poverty

<http://www.leaderu.com/orgs/probe/docs/poverty.html>

Canadian Council On Social Development

<http://www.ccsd.ca/facts.html>

Economic and Social Justice

<http://www1.umn.edu/humanrts/edumat/hreduseries/tb1b/Section2/index.htm>

The Geography of Poverty and Wealth

http://www.cid.harvard.edu/cidinthenews/articles/Sciam_0301_article.html

Hunger in the U.S.

http://www.frac.org/html/hunger_in_the_us/hunger_index.html

Income Generation, Poverty, and Wealth

<http://www.scn.org/cmp/modules/prn-wel.htm>

People Like Us: Social Class in America (Educator's Resources)

<http://www.pbs.org/peoplelikeus/>

A Profile of the Working Poor

<http://www.bls.gov/cps/cpswp2000.htm>

2008 Hunger and Homelessness Survey Results

<http://usmayors.org/pressreleases/uploads/RELEASEHUNGERHOMELESSNESS2008FINAL.pdf>

The Vanishing Middle Class: Inside Out.

<http://www.insideout.org/documentaries/middleclass/>

Waging A Living: Educator's Resources

<http://www.pbs.org/pov/wagingaliving/>

World Poverty: The Wealth Gap Widens

<http://www.socialistworld.net/eng/2006/12/20poverty.html>

FILM LIST

THE 51ST STATE: AMERICA'S WORKING POOR

(2007, 57m, Insight Media)

This program explores the daily struggles facing the working poor in the U.S. Students will gain an understanding of such issues as standard-of-living measurements, suburban poverty, welfare-to-work programs, and immigration issues.

THE AMERICAN RULING CLASS

(2007, 89m, Bullfrog Films)

This is one of the most unusual films to be made in America in recent years -- both in terms of form and content. The form is a "dramatic-documentary-musical" and the content is our country's most taboo topic: class, power, and privilege in our nominally democratic republic. The film explores the lives of two Yale students who seek their opportunities upon graduation. Barbara Ehrenreich, highlighted in this chapter, is featured in this film. Students will gain an understanding of how two privileged graduates come to decide whether they should seek to rule the world or to save it.

AMERICA'S WAR ON POVERTY

(1995, five installments; 60m each, PBS Video)

This series provides a detailed history of the War on Poverty, beginning in the 1960s; each presentation includes an effective assessment of the lessons of the past, which we haven't always learned from. After showing this video, discuss the effects that the Welfare Reform Act of 1996 has had on poverty in America today.

HOMELESS NOT HELPLESS: OPENING DOORS

(1992, 44m, University of California Extension Center for Media and Independent Learning)

Narrated by Julian Bond, this eye-opening documentary on homelessness is unique in that it focuses on solutions: the program shows what is working and what is merely perpetuating poverty. This presentation explores a wide spectrum of programs, and the story is told by the people involved - in the streets, the missions, and the shelters.

NEW HARVEST, OLD SHAME

(1990, 60m, PBS Video)

Thirty years after Edward R. Murrow's shocking presentation, *Harvest of Shame*, this PBS *Frontline* looks at the continued plight of migrant farm workers and examines the forces that have kept their lives so desperate.

NO PLACE LIKE HOME

(1994, 25m, Berkeley Media LLC)

This video offers a detailed portrayal of what it is like for a family to live in poverty and how the cycle of poverty and violence is transmitted from generation to generation.

PEOPLE LIKE US: SOCIAL CLASS IN AMERICA

(2002, 124m, Insight Media)

This program explores social and economic class issues in the U.S. It discusses race and class, social mobility, class structure, the black bourgeoisie, social stratification, and lifestyle choices. Students will have an opportunity to explore various perspectives on social class and see how one's position in the social strata shapes access to luxuries and necessities as well as life choices.

ROGER AND ME

(1989, 89m, rental video)

This is Michael Moore's first well-known documentary film. It provides a graphic account of the deindustrialization of Flint, Michigan, and situates Flint within the global assembly line. Flint's major industry, General Motors, ceased production and moved to Mexico. The film captures the social problems generated by GM's departure.

SOCIAL CLASS

(2009, 36m, Insight Media)

This program defines social class and considers its significance. It introduces basic concepts of social class, explains sociological perspectives, and examines such foundational perspectives on

social class as functionalism and the ideas of Marx and Weber. Also explores the effects of social class in the U.S.

SOCIAL CLASS ISSUES IN THE USA

(1992, 60m, RMI Productions, Inc.)

Presents demographic data illustrating family income by ethnic group and illustrates how there is a steady increase of Americans below the poverty level. Focuses on the plight of the homeless.

SOCIAL STRATIFICATION

(2009, 30m, Insight Media)

Looking at different types of social systems around the world and how they developed, this program relates social stratification to the means of existence, the culture, and micro-level interactions. This film illustrates how stratification has changed with industrialization and analyzes the conflict, functionalist, and interactionist views of stratification. The views of Karl Marx and Max Weber on class conflict are presented.

TEMPORARY DWELLINGS

(1992, 28m, Filmmaker's Library)

This is a heartening look at a group of Seattle's homeless community who took matters into their own hands and erected a series of large, tattered gray tents. Tent City was run by the homeless with firm ground rules: no drugs or alcohol, no weapons, no violence. All major decisions were put to a vote in this bold experiment in self government. Tent City lasted until it achieved its goal. The mayor provided a shelter to be run by the residents themselves. The film shows that when the homeless have a sense of community and dignity they can help themselves.

WAGE SLAVES: NOT GETTING BY IN AMERICA

(2002, 100m, A&E Home Video)

The program chronicles the struggle of America's "working poor" to make ends meet in an increasingly (and often prohibitively) expensive society. In preparing her bestselling book, *Nickel and Dime* in America, author Barbara Ehrenreich (highlighted in Chapter 2 of the text) embarked on a grim odyssey through three cities and half a dozen minimum wage jobs. What emerges is a rare look at how prosperity appears from the bottom looking up, and a critical examination of the policies that shape the harsh realities of life among the working poor. Emphasis is placed upon five workers, most of them single parents, trying to survive on salaries ranging from six to seven dollars hourly. Students will gain insight on the ongoing debate about increasing the national minimum wage and improving the working conditions of those in the lowest financial brackets.

WAGING A LIVING

(2006, 76m, PBS Educational Media)

Shot over a three-year period in the northeast and California, this observational documentary captures the dreams, frustrations and accomplishments of a diverse group of people who struggle to live from paycheck to paycheck. By presenting an unvarnished look at the barriers that these workers must overcome to escape poverty, students will get a glimpse of the social construction of the American dreams among four working-poor families.