

Alabama Poverty Project

Teaching about Poverty

Exercise 6: Active Testing of Stereotypes/Active Learning about the Poor

Goal: Testing the veracity of the welfare recipient/poor people stereotypes elicited in the Stereotype exercise, or through other means.

Directions: Divide the class into two groups: the working poor and welfare recipients. Give each student one of the two simulations on the following pages to do and to discuss as a group later on in class.

Debrief: Ask each group to meet as a group first, and share their experiences with each other. Then ask representatives of each group to come forward, describe their assignment, and report on their own group's problems in living under the conditions described in their assignment.

Questions:

- How hard would it be to be part of the working poor?
- What solutions, if any, did you find to your problems?
- What barriers exist that would prevent getting out of poverty?
- How hard was it to be on a welfare budget?
- What solutions, if any, do you think you could use to improve your lot?
- Which of the two groups was better off?
- Were the realities for each group about what you would have guessed, better than you would have guessed, or worse than you would have guessed? Why?
- Were the realities of living on welfare anything like what is advertised in the media? If not, then why do you think the picture of life on welfare is so distorted?

Simulation A: Becoming One of the Working Poor

It is the year 2000. Pretend that you have graduated from High School, cannot go on to college due to lack of money, and have married your high school sweetheart. You also have one child, six weeks old. While your spouse takes care of the baby, you work at the only job you could find, at McDonald's, for minimum wage. Like most part-time workers, you average 29 hours of work per week over the year. Lucky for you there is the new minimum wage law so you make \$5.25 an hour, although that still isn't much after taxes.

- 1.** Calculate gross earnings per month and per year (assume 50 work weeks) for this family. Given a poverty threshold of \$ 14,150 in yearly income for a family of three in 2000, does this family meet the government criteria for poverty? Does it meet your own criteria for what it takes to be poor?
- 2.** Let's say you are really lucky because your low wage job is full-time (most low wage jobs are not full-time), although, like most low wage jobs, it doesn't have fringe benefits. Given full-time work, are you earning enough now to avoid poverty?
- 3.** Multiply the family's gross earnings by 80 percent to get an estimate of net earnings after taxes and other deductions. Make a budget for this family to live on in Birmingham (or the city where you live). Begin with the cost of rent (averaging around \$390 a month in Birmingham for a two bedroom apartment), include the cost of food, basic utilities, transportation, health care, clothing etc. Will this family be able to get along on these wages?
- 4.** What solutions, if any, do you suggest? Research your solutions. For example, if your spouse went to work as well, at a part-time minimum wage job, calculate, after the cost of child care, transportation, work clothes, lunches and wage deductions, the increase in the family budget that could be had from this solution.

Simulation B: Becoming a Welfare Recipient

Imagine that you are a single parent, divorced, with two children (ages 2 and 5 years old). With no work history to fall back on after your husband left you, and given the cost of child care for two children, you thought it would be better for your kids if you lived off welfare, just until they are old enough to be in school during the day. You apply for aid, and discover that, because you earned less than \$2000 last year, and your car is so old that its value was not counted against you, you will be receiving the most monthly TANF funds for a family of three allowed in Alabama (before the “welfare reform”) in the amount of \$164 a month, \$341 in food stamps a month, and Medicaid benefits.

1. Go to the grocery store and do your own market basket research. How much food can you get to feed three people for one week, spending no more than \$85? Make a list of what you would “buy” and the prices. How far can you make \$85 stretch to feed yourself and two children for a week? (No non-food items such as soap or toilet paper can be bought with food stamps, nor can you buy tobacco, alcohol or food grown outside the U.S. with the food stamps.)

2. Research housing costs. Where could you live (and pay utilities) for less than \$164 a month?

3. Miscellaneous other expenses: How would you pay for transportation, clothing, non-food items like soap and toilet paper? Do a market basket approach to the non-food items you normally buy. Add them up. Now, make decisions about which of these “essentials” are really nonessential, given your poverty. Which will you have to do without?

4. What solutions to this budget problem would you suggest? Research your suggested solutions. If you think paid work is a good idea, then look for a job in the want ads that would be likely to go to a woman with no work experience and two kids. How much will she earn, after taxes? How much does child care cost for two kids of the ages described above? (Call a day care center and ask.) Will the hours of work required on the jobs available mesh well with the hours day care centers are willing to take kids? Add in transportation costs that will have to be borne as well, i.e. gas, oil, repairs, license tags, etc.