Report of the Special Rapporteur on extreme poverty and human rights on his mission to the United States of America

Note by the Secretariat

The Secretariat has the honour to transmit to the Human Rights Council the report of the Special Rapporteur on extreme poverty and human rights, Philip Alston, on his mission to the United States of America from 1 to 15 December 2017. The purpose of the visit was to evaluate, and report to the Human Rights Council on, the extent to which the Government’s policies and programmes aimed at addressing extreme poverty are consistent with its human rights obligations and to offer constructive recommendations to the Government and other stakeholders.
Report of the Special Rapporteur on extreme poverty and human rights on his mission to the United States of America*

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* Circulated in the language of submission and in Spanish only.
I. Introduction

1. The Special Rapporteur on extreme poverty and human rights visited the United States of America from 1 to 15 December 2017, in accordance with Human Rights Council resolution 35/19. The purpose of the visit was to report to the Council on the extent to which the Government’s policies and programmes relating to extreme poverty are consistent with its human rights obligations and to offer constructive recommendations to the Government and other stakeholders. The Special Rapporteur is grateful to the Government for inviting him, for facilitating his visit and for continuing its cooperation with the Council’s accountability mechanisms that apply to all States.¹

2. During his visit, the Special Rapporteur met with government officials at the federal, state, county and city levels, members of Congress, representatives of civil society, academics and people living in poverty. He also received more than 40 detailed written submissions in advance of his visit.² He visited California (Los Angeles and San Francisco), Alabama (Lowndes County and Montgomery), Georgia (Atlanta), Puerto Rico (San Juan, Guayama and Salinas), West Virginia (Charleston) and Washington, D.C. He is deeply grateful to all those who organized community consultations for him in these locations, and to the US Human Rights Network, which devoted a full day of its 2017 national convening in Atlanta to his country visit.

3. The strict word limit for this report makes it impossible to delve deeply into even the key issues. Fortunately, there is already much excellent scholarship and many civil society analyses of the challenges of poverty in the United States.³ In the present report, the Special Rapporteur aims to bring together some of those analyses, identify the key poverty-related problems and explain the relevance of the international human rights obligations of the United States in this context. As with all such country visits, the consideration of the report by the Human Rights Council will enable other States to examine the extent to which the United States is living up to its international obligations.

II. Overview

4. The United States is a land of stark contrasts. It is one of the world’s wealthiest societies, a global leader in many areas, and a land of unsurpassed technological and other forms of innovation. Its corporations are global trendsetters, its civil society is vibrant and sophisticated and its higher education system leads the world. But its immense wealth and expertise stand in shocking contrast with the conditions in which vast numbers of its citizens live. About 40 million live in poverty, 18.5 million in extreme poverty, and 5.3 million live in Third World conditions of absolute poverty.⁴ It has the highest youth poverty rate in the Organization for Economic Cooperation and Development (OECD), and the highest infant mortality rates among comparable OECD States. Its citizens live shorter and sicker lives compared to those living in all other rich democracies, eradicable tropical diseases are increasingly prevalent, and it has the world’s highest incarceration rate, one of

¹ The Special Rapporteur is grateful for the superb research and analysis undertaken by Christiaan van Veen, Anna Bulman, Ria Singh Sawhney and staff of the United Nations Office of the High Commissioner for Human Rights.
the lowest levels of voter registrations in among OECD countries and the highest obesity levels in the developed world.

5. The United States has the highest rate of income inequality among Western countries.5 The $1.5 trillion in tax cuts in December 2017 overwhelmingly benefitted the wealthy and worsened inequality. The consequences of neglecting poverty and promoting inequality are clear. The United States has one of the highest poverty and inequality levels among the OECD countries, and the Stanford Center on Inequality and Poverty ranks it 18th out of 21 wealthy countries in terms of labour markets, poverty rates, safety nets, wealth inequality and economic mobility. But in 2018 the United States had over 25 per cent of the world’s 2,208 billionaires.6 There is thus a dramatic contrast between the immense wealth of the few and the squalor and deprivation in which vast numbers of Americans exist. For almost five decades the overall policy response has been neglectful at best, but the policies pursued over the past year seem deliberately designed to remove basic protections from the poorest, punish those who are not in employment and make even basic health care into a privilege to be earned rather than a right of citizenship.

6. The visit of the Special Rapporteur coincided with the dramatic change of direction in relevant United States policies. The new policies: (a) provide unprecedentedly high tax breaks and financial windfalls to the very wealthy and the largest corporations; (b) pay for these partly by reducing welfare benefits for the poor; (c) undertake a radical programme of financial, environmental, health and safety deregulation that eliminates protections mainly benefiting the middle classes and the poor; (d) seek to add over 20 million poor and middle class persons to the ranks of those without health insurance; (e) restrict eligibility for many welfare benefits while increasing the obstacles required to be overcome by those eligible; (f) dramatically increase spending on defence, while rejecting requested improvements in key veterans’ benefits; (g) do not provide adequate additional funding to address an opioid crisis that is decimating parts of the country; and (h) make no effort to tackle the structural racism that keeps a large percentage of non-Whites7 in poverty and near poverty.

7. In a 2017 report, the International Monetary Fund (IMF) captured the situation even before the impact of these aggressively regressive redistributive policies had been felt, stating that the United States economy “is delivering better living standards for only the few”, and that “household incomes are stagnating for a large share of the population, job opportunities are deteriorating, prospects for upward mobility are waning, and economic gains are increasingly accruing to those that are already wealthy”.8

8. The share of the top 1 per cent of the population in the United States has grown steadily in recent years. In 2016 they owned 38.6 per cent of total wealth. In relation to both wealth and income the share of the bottom 90 per cent has fallen in most of the past 25 years.9 The tax reform will worsen this situation and ensure that the United States remains the most unequal society in the developed world. The planned dramatic cuts in welfare will essentially shred crucial dimensions of a safety net that is already full of holes. Since economic and political power reinforce one another, the political system will be even more vulnerable to capture by wealthy elites.

9. This situation bodes ill not only for the poor and middle class in America, but for society as a whole, with high poverty levels “creating disparities in the education system, hampering human capital formation and eating into future productivity”.10 There are also

6 See www.forbes.com/sites/forbespr/2018/03/06/forbes-32nd-annual-worlds-billionaires-issue/#43e9e95a10e0.
7 In the present report, references to race or ethnicity include the following classifications used by the United States Census Bureau: American Indian or Alaska Native, Asian, Black and White (see www.census.gov/topics/population/race/about.html).
global consequences. The tax cuts will fuel a global race to the bottom, thus further reducing the revenues needed by Governments to ensure basic social protection and meet their human rights obligations. And the United States remains a model whose policies other countries seek to emulate.

10. Defenders of the status quo point to the United States as the land of opportunity and the place where the American dream can come true because the poorest can aspire to the ranks of the richest. But today’s reality is very different. The United States now has one of the lowest rates of intergenerational social mobility of any of the rich countries. Zip codes, which are usually reliable proxies for race and wealth, are tragically reliable predictors of a child’s future employment and income prospects. High child and youth poverty rates perpetuate the intergenerational transmission of poverty very effectively, and ensure that the American dream is rapidly becoming the American illusion. The equality of opportunity, which is so prized in theory, is in practice a myth, especially for minorities and women, but also for many middle-class White workers.

11. New technologies now play a central role in either exacerbating or reducing poverty levels in the United States. Some commentators are singularly optimistic in this regard and highlight the many potential benefits of new technologies, including those based on artificial intelligence, for poverty reduction efforts in fields as diverse as health care, transportation, the environment, criminal justice, and economic inclusion. Others acknowledge the downsides, and especially the potential negative effects of automation and robotization on future employment levels and job security. But remarkably little attention has been given to the specific impact of these new technologies on the lives of the poor in American society today. Such inquiries have significance well beyond that pertaining to the poor, since experience shows that those in poverty are often a testing ground for practices and policies subsequently applied more broadly. In the present report, the Special Rapporteur seeks to stimulate deeper reflection on the impact of new technologies on the human rights of the poorest.

III. Human rights dimension

12. Successive administrations, including the current one, have determinately rejected the idea that economic and social rights are full-fledged human rights, despite their clear recognition not only in key treaties that the United States has ratified, such as the Convention on the Elimination of All Forms of Racial Discrimination, but also in the Universal Declaration of Human Rights, which the United States has long insisted other countries must respect. But denial does not eliminate responsibility, nor does it negate obligations. International human rights law recognizes a right to education, a right to health care, a right to social protection for those in need and a right to an adequate standard of living. In practice, the United States is alone among developed countries in insisting that, while human rights are of fundamental importance, they do not include rights that guard against dying of hunger, dying from a lack of access to affordable health care or growing up in a context of total deprivation. Since the United States has refused to accord domestic recognition to the economic and social rights agreed by most other States in the

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International Covenant on Economic, Social and Cultural Rights and other treaties, except for the recognition of some social rights, and especially the right to education, in state constitutions, the primary focus of the present report is on those civil and political rights reflected in the United States Bill of Rights and in the International Covenant on Civil and Political Rights, which the United States has ratified.

IV. Who are “the poor”?

13. In thinking about poverty, it is striking how much weight is given to caricatured narratives about the purported innate differences between rich and poor that are consistently peddled by some politicians and media. The rich are industrious, entrepreneurial, patriotic and the drivers of economic success. The poor are wasters, losers and scammers. As a result, money spent on welfare is money down the drain. If the poor really want to make it in the United States, they can easily do so: they really can achieve the American dream if only they work hard enough. The reality, however, is very different. Many of the wealthiest citizens do not pay taxes at the rates that others do, hoard much of their wealth offshore and often make their profits purely from speculation rather than contributing to the overall wealth of the American community.

14. In imagining the poor, racist stereotypes are usually not far beneath the surface. The poor are overwhelmingly assumed to be people of colour, whether African Americans or Hispanic “immigrants”. The reality is that there are 8 million more poor Whites than there are poor Blacks. The face of poverty in America is not only Black or Hispanic, but also White, Asian and many other backgrounds.

15. Similarly, large numbers of welfare recipients are assumed to be living high on “the dole”. Some politicians and political appointees with whom the Special Rapporteur spoke were completely sold on the narrative of such scammers sitting on comfortable sofas, watching cable television or spending their days on their smartphones, all paid for by welfare. The Special Rapporteur wonders how many of those politicians have ever visited poor areas, let alone spoken to those who dwell there. There are anecdotes aplenty, but little evidence. In every society, there are those who abuse the system, as much in the upper income levels as in the lower. But in reality, the poor are overwhelmingly those born into poverty, or those thrust there by circumstances largely beyond their control, such as physical or mental disabilities, divorce, family breakdown, illness, old age, unliveable wages or discrimination in the job market.

V. Current extent of poverty in the United States of America

16. There is considerable debate over the extent of poverty in the United States, but the present report relies principally upon official government statistics, especially from the United States Census Bureau. It defines and quantifies poverty in America based on “poverty thresholds” or official poverty measures, updated each year. These thresholds have been used since President Lyndon B. Johnson’s war on poverty in the 1960s and use a set of dollar value thresholds that vary by family size and composition to determine who is in poverty. Following much criticism of the official poverty measures, the Census Bureau developed a supplemental poverty measure, which is preferred by many experts. According to the official poverty measures, in 2016, 12.7 per cent of Americans were living in poverty; according to the supplemental poverty measure, the figure was 14 per cent.

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15 The United States is the only country in the world that has not ratified the Convention on the Rights of the Child, which protects the economic and social rights of children.
17 Ibid., p. 43.
18 Written submission by the Georgetown Center on Poverty and Inequality, 4 October 2017, p. 2.
VI. Problems with existing governmental policies

17. There is no magic recipe for eliminating extreme poverty, and each level of government must make its own good-faith decisions. At the end of the day, however, particularly in a rich country like the United States, the persistence of extreme poverty is a political choice made by those in power. With political will, it could readily be eliminated. What is known, from long experience and in the light of the Government’s human rights obligations, is that there are indispensable ingredients for a set of policies designed to eliminate poverty. They include: democratic decision-making, full employment policies, social protection for the vulnerable, a fair and effective justice system, gender and racial equality, respect for human dignity, responsible fiscal policies and environmental justice. As shown below, the United States falls well short on each of these measures.

A. Undermining of democracy

18. The cornerstone of American society is democracy, but it is being steadily undermined, and with it the human right to political participation protected in article 25 of the International Covenant on Civil and Political Rights. The principle of one person, one vote applies in theory, but is increasingly far from the reality.

19. In a democracy, the task of government should be to facilitate political participation by ensuring that all citizens can vote and that their votes will count equally. However, in the United States there is overt disenfranchisement of more than 6 million felons and ex-felons, which predominantly affects Black citizens since they are the ones whose conduct is often specifically targeted for criminalization. In addition, nine states currently condition the restoration of the right to vote after prison on the payment of outstanding fines and fees. A typical outcome is that seen in Alabama, where a majority of all ex-felons cannot vote.

20. Then there is covert disenfranchisement, which includes the dramatic gerrymandering of electoral districts to privilege particular groups of voters, the imposition of artificial and unnecessary voter identification requirements, the blatant manipulation of polling station locations, the relocation of Departments of Motor Vehicles’ offices to make it more difficult for certain groups to obtain identification, and the general ramping up of obstacles to voting, especially for those without resources. The net result is that people living in poverty, minorities and other disfavoured groups are being systematically deprived of their right to vote.

21. It is thus unsurprising that the United States has one of the lowest turnout rates in elections among developed countries, with only 55.7 per cent of the voting-age population casting ballots in the 2016 presidential election. Registered voters represent a much smaller share of potential voters in the United States than in just about any other OECD country. Only about 64 per cent of the United States voting-age population was registered in 2016, compared with 91 per cent in Canada and the United Kingdom of Great Britain and Northern Ireland, 96 per cent in Sweden and nearly 99 per cent in Japan. Low turnouts are also explained by the perception that election outcomes will have no impact on the lives of poor people. One politician remarked to the Special Rapporteur on how few campaign appearances most politicians bother to make in overwhelmingly poor districts, which reflects the broader absence of party representation for low-income and working-class voters.

21 The Sentencing Project, “6 million lost voters: state-level estimates of felony disenfranchisement, 2016.”
22. The link between poverty and the absence of political rights is perfectly illustrated by Puerto Rico. If it were a state, it would be the poorest in the Union. But it is not a state, it is a mere “territory”. Puerto Ricans who live on the island have no representative with full voting rights in Congress and cannot vote in presidential elections, although they can vote in Presidential primaries. In a country that likes to see itself as the oldest democracy in the world and a staunch defender of political rights on the international stage, more than 3 million people who live on the island have no real power in their own capital.

23. Puerto Rico has a fiscal deficit and a political rights deficit, and the two are not easily disentangled. The Special Rapporteur met with the Executive Director of the Financial Oversight and Management Board that was imposed by Congress in 2016 on Puerto Rico as part of the Puerto Rico Oversight, Management, and Economic Stability Act. There is little indication that social protection concerns feature in a meaningful way in the Board’s analyses. At a time when even the IMF is insisting that social protection should be explicitly factored into prescriptions for fiscal adjustment (i.e., austerity), the Board should take account of human rights and social protection concerns as it contemplates far-reaching decisions on welfare reform, minimum wage and labour market deregulation.

24. It is not for the Special Rapporteur to suggest any resolution to the hotly contested issue of the constitutional status of Puerto Rico. Many interlocutors, however, made clear the widespread feeling that Puerto Ricans consider their territory to be colonized and that the United States Congress is happy to leave them in a limbo in which they have neither meaningful Congressional representation nor the ability to govern themselves. In the light of recent Supreme Court jurisprudence and Congress’s adoption of the Puerto Rico Oversight, Management, and Economic Stability Act there seems to be good reason for the Special Political and Decolonization Committee of the United Nations to conclude that the island is no longer a self-governing territory.

B. Shortcomings in basic social protection

25. It is sometimes argued that President Johnson’s war on poverty has failed miserably because, despite the “trillions of taxpayer dollars” spent on welfare programmes over the past five decades, the official poverty rate has remained largely unchanged. The proposed solution then is to downsize the safety net by making it more “efficient”, “targeted” and “evidence-based”, while underlining the need to move “from welfare to work”.

26. These ideas underpin both Speaker Paul Ryan’s blueprint for welfare reform and the budget proposed by President Donald Trump for the fiscal year 2019, which decrees “stubbornly high” enrolment in welfare programmes, and describes millions of Americans as being “in a tragic state of dependency on a welfare system that does not reward work, and in many cases, pays people not to work.”

27. The available evidence, however, points in a very different direction. A 2014 White House report concluded that the war on poverty had been highly successful. Based on the supplemental poverty measure, poverty rates in the United States fell from 26 per cent in 1967 to 16 per cent in 2012 — a decline of nearly 40 per cent. The Census Bureau calculates that programmes such as Social Security, refundable tax credits (earned income tax credit), the Supplemental Nutrition Assistance Program, the Supplemental Security

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25 See, for example, Task Force on Poverty, Opportunity, and Upward Mobility, A Better Way: Our Vision for a Confident America (June, 2016).
26 Ibid.
27 David Morgan, “Speaker Ryan pledges to work with Trump on bold agenda”, Reuters, 9 November 2016.
Income programme and housing subsidies collectively prevented about 44 million Americans from falling into poverty in 2016.\textsuperscript{31}

28. The following sections address shortcomings in both the existing social protection system for the poorest Americans and in the assumptions underlying the administration’s policy responses.

**An illusory emphasis on employment**

29. Proposals to slash the meagre welfare arrangements that currently exist are now sought to be justified primarily on the basis that the poor need to leave welfare and go to work. The assumption, especially in a thriving economy, is that there are a great many jobs out there waiting to be filled by individuals with low educational qualifications, often with disabilities of one kind or another, sometimes burdened with a criminal record (often poverty related), without meaningful access to health care, and with no training or effective assistance to obtain employment. It also assumes that the jobs they could get will make them independent of state assistance.

30. In reality, the job market for such people is extraordinarily limited, and even more so for those without basic forms of social protection and support. The case of Walmart, the largest employer in the United States, is instructive. Many of its workers cannot survive on a full-time wage in the absence of food stamps. This fits in a broader trend: the share of households that, while having earnings, also receive nutrition assistance rose from 19.6 per cent in 1989 to 31.8 per cent in 2015.\textsuperscript{32} Up to $6 billion annually goes from the Supplemental Nutrition Assistance Program and other public assistance programmes to support workers in firms like Walmart, providing a huge indirect subsidy to the relevant corporations.\textsuperscript{33} Walmart lobbied heavily for tax reform,\textsuperscript{34} from which it will save billions, and then announced it would spend an additional $700 million in increasing employee wages and benefits for its workers.\textsuperscript{35} But the resulting rise in the debt of the United States, due in part to the tax reform,\textsuperscript{36} has then been used to justify a proposed 30 per cent cut in Supplemental Nutrition Assistance Program funding over a decade.\textsuperscript{37}

31. In terms of job availability, the reality is very different from that portrayed by the welfare-to-work proponents. Despite the strong economy, there has been a long-term decline in employment rates; by 2017, only 89 per cent of males aged 25 to 54 were employed.\textsuperscript{38} While “supply” factors such as growing rates of disability, increasing geographic immobility and higher incarceration rates are relevant, a 2016 White House report concluded that reductions in labour supply were far less important than reductions in labour demand in accounting for the long-run trend.\textsuperscript{39} In the future, new technologies, such as self-driving cars, 3D printers and robot-staffed factories and warehouses, may lead to a continuing decline in demand for low-skilled labour. Leading poverty experts have concluded that, because of this rising joblessness, the poverty population in the United States “is becoming a more deprived and destitute class, one that’s disconnected from the economy and unable to meet basic needs”.\textsuperscript{40}

\textsuperscript{31} Fox, “The Supplemental Poverty Measure”, p. 10.
\textsuperscript{32} See www.ers.usda.gov/data-products/chart-gallery/gallery/chart-detail/?chartId=82672.
\textsuperscript{36} “Growing the deficit: the Senate passes a tax bill”, Economist, 2 December 2017.
\textsuperscript{38} Varner, Mattingly and Grusky, “The facts”, p. 4.
\textsuperscript{39} Council of Economic Advisers, “The long-term decline in prime-age male labor force participation” (2016).
\textsuperscript{40} Varner, Mattingly and Grusky, “The facts”, p. 4.
32. Earlier experiments with welfare reform, particularly the Clinton-era replacement of Aid to Families with Dependent Children with the Temporary Assistance for Needy Families programme, should caution present-day proponents of “welfare to work”. The impact of the 1996 welfare reform on poor, single mothers has been especially dramatic. Many took low-wage jobs after the reform and “the increase in their earnings was often cancelled out by their loss of welfare benefits, leaving their overall income relatively unchanged”.\(^{41}\) The situation of single mothers who could not find work deteriorated.\(^{42}\) As a result, there was a 748 (!) per cent increase in the number of children of single-mother families experiencing annual $2-a-day poverty between 1995 and 2012.\(^{43}\)

### Use of fraud as a smokescreen

33. Calls for welfare reform take place against a constant drumbeat of allegations of widespread fraud in the system. Government officials warned the Special Rapporteur that individuals are constantly coming up with new schemes to live high on the welfare hog, and that individual states are gaming the welfare system to cheat the federal Government. The contrast with tax reform is instructive. In the tax context, immense faith is placed in the goodwill and altruism of the corporate beneficiaries, while with welfare reform the opposite assumptions apply. The reality, of course, is that there are good and bad corporate actors and there are good and bad welfare claimants. But while funding for the Internal Revenue Service to audit wealthy taxpayers has been reduced, efforts to identify welfare fraud are being greatly intensified.\(^{44}\) Revelations of widespread tax avoidance by companies and high-wealth individuals draw no rebuke, only acquiescence and the maintenance of the loopholes and other arrangements designed to facilitate such arrangements. But revelations of food stamps being used for purposes other than staying alive draw howls of outrage from government officials and their media supporters.

34. Yet, despite repeated requests to officials for statistics on welfare fraud, the Special Rapporteur has received little convincing evidence. The Government collects data on “improper payments” made by federal departments and agencies, but this is a much broader concept than fraud. A 2016 Government Accountability Office report showed an error rate in 2015 of 3.66 per cent for the Supplemental Nutrition Assistance Program and 4.01 per cent for public housing and rental assistance. By contrast, the error rate for travel pay by the Department of Defense was 8 per cent.\(^{45}\)

35. The percentage of Supplemental Nutrition Assistance Program benefit dollars issued to ineligible households or to eligible households in excessive amounts was as low as 2.96 per cent in 2014.\(^{46}\) According to the Center on Budget and Policy Priorities, the overwhelming majority of those errors result from mistakes by different parties, rather than from dishonesty or fraud by recipients.\(^{47}\) Almost 60 per cent of the dollar value of overpayments by states resulted from mistakes by the government, rather than recipients.\(^{48}\) In 2015, 55 per cent of 723,111 investigations found no fraud.\(^{49}\)

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\(^{42}\) Ibid.


\(^{45}\) United States Government Accountability Office, report to Congressional committees on improper payments (June 2016), appendix III.


\(^{47}\) Center on Budget and Policy Priorities, “SNAP: combating fraud”, p. 11.

\(^{48}\) Ibid.

36. Fraud rhetoric is commonly used against persons with disabilities, large numbers of whom allegedly receive disability allowances when they could actually be working full time. When the Special Rapporteur probed into the reasons for the very high rates of persons with disabilities in West Virginia receiving benefits, government officials explained that most recipients had attained low levels of education, worked in demanding manual labour jobs and were often exposed to risks that employers were not required to guard against.

Social protection for children

37. Appropriate cognitive and socio-emotional stimulation, adequate nutrition and health care, and stable and secure environments early in life are all essential ingredients in maximizing children’s potential and achieving optimal life outcomes. Empirical evidence suggests strong correlations between early childhood poverty and adverse life outcomes, particularly those related to achievement skills and cognitive development.

38. From this perspective, the shockingly high number of children living in poverty in the United States demands urgent attention. In 2016, 18 per cent of children (13.3 million) were living in poverty, and children comprised 32.6 per cent of all people in poverty.50 About 20 per cent of children live in relative income poverty, compared to the OECD average of 13 per cent.51 Contrary to stereotypical assumptions, 31 per cent of poor children are White, 24 per cent are Black, 36 per cent are Hispanic and 1 per cent are indigenous.52 This is consistent with the fact that the United States ranks 25th out of 29 industrialized nations in investing in early childhood education.53

39. Poor children are also significantly affected by the country’s crises regarding affordable and adequate housing. On a given night in 2017, about 21 per cent (or 114,829) of homeless individuals were children.54 But this official figure may be a severe underestimate, since homeless children temporarily staying with friends, family or in motels are excluded from the point-in-time count.55 According to the Department of Education, the number of homeless students identified as experiencing homelessness at some point during the 2015/16 school year was 1,304,803.56

40. The infant mortality rate, at 5.8 deaths per 1,000 live births, is almost 50 per cent higher than the OECD average of 3.9.57 On a positive note, the United States has increased health insurance coverage for children through the expansion of Medicaid and the Children’s Health Insurance Program, bringing child health insurance rates to a historic high of 95 per cent.58 These achievements are, however, under threat, as discussed below.

41. In addition, the Supplemental Nutrition Assistance Program kept 3.8 million children out of poverty in 2015,59 and in 2016, the earned income tax credit and the child tax credit lifted a further 4.7 million children out of poverty.60 By contrast, the reach and

56 National Center for Homeless Education, Federal Data Summary: School Years 2013–14 to 2015–16, p. iii.
57 OECD, “How does United States compare”.
58 Joan Alker and Alisa Chester, “Children’s health coverage rate now at historic high of 95 percent” (Georgetown University Health Policy Institute, October 2016).
60 Center on Budget and Policy Priorities, “Policy basics: the child tax credit” (October 2017).
impact of the Temporary Assistance for Needy Families programme has been very limited. In 2016, only 23 per cent of families in poverty received cash assistance from that programme, and the figure is less than 10 per cent in a growing number of states.\footnote{Center on Budget and Policy Priorities, “TANF reaching few poor families” (December 2017).}

**Adult dental care**

42. The Affordable Care Act greatly expanded the availability of dental care to children, but not for adults. Some 49 million Americans live in federally designated “dental professional shortage areas” and Medicare (the programme for the aged and those with disabilities) does not cover routine dental care.\footnote{Mary Otto, *Teeth: The Story of Beauty, Inequality, and the Struggle for Oral Health in America* (New York, The New Press, 2017), p. vii.} The only access to dental care for the uninsured is through the emergency room, where excruciating pain can lead to an extraction. Even for those with coverage, access is not guaranteed, as only a minority of dentists see Medicaid patients.\footnote{Ibid., pp. 37, 120 and 171.} Poor oral hygiene and disfiguring dental profiles lead to unemployability in many jobs, being shunned in the community and being left unable to function effectively. Yet there is no universal programme to address those issues, which fundamentally affect the human dignity and ultimately the civil rights of the persons concerned.

**C. Reliance on criminalization to conceal the underlying poverty problem**

**Criminalization of the homeless**

43. The official point-in-time estimates of homelessness in 2017 show a nationwide figure of 553,742, including 76,501 in New York, 55,188 in Los Angeles and 6,858 in San Francisco.\footnote{United States, Department of Housing and Urban Development, *The 2017 Annual Homeless Assessment Report*.} There is ample evidence that these figures significantly underestimate the actual scale of the problem.

44. In many cities, homeless persons are effectively criminalized for the situation in which they find themselves. Sleeping rough, sitting in public places, panhandling, public urination and myriad other offences have been devised to attack the “blight” of homelessness. The criminalization of homeless individuals in cities that provide almost zero public toilets seems particularly callous. In June 2017, it was reported that the approximately 1,800 homeless individuals on Skid Row in Los Angeles had access to only nine public toilets.\footnote{Alastair Gee, “At night on Skid Row, nearly 2,000 homeless people share just nine toilets”, *The Guardian*, 30 June 2017.} Los Angeles failed to meet even the minimum standards the United Nations High Commissioner for Refugees sets for refugee camps in the Syrian Arab Republic and other emergency situations.\footnote{See https://emergency.unhcr.org/entry/33015/emergency-sanitation-standard.}

45. Ever more demanding and intrusive regulations lead to infraction notices for the homeless, which rapidly turn into misdemeanours, leading to warrants, incarceration, unpayable fines and the stigma of a criminal conviction that in turn virtually prevents subsequent employment and access to most housing. Yet the authorities in cities such as Los Angeles and San Francisco often encourage this vicious circle. On Skid Row in Los Angeles, 14,000 homeless persons were arrested in 2016 alone, an increase of 31 per cent over 2011, while overall arrests in the city decreased by 15 per cent.\footnote{Gale Holland and Christine Zhang, “Huge increase in arrests of homeless in L.A. – but mostly for minor offenses”, *Los Angeles Times*, 4 February 2018.} Citizens and local authorities, rather than treating homeless persons as affronts to their sensibilities and neighbourhoods, should see in their presence a tragic indictment of community and government policies. Homelessness on this scale is far from inevitable and reflects political choices to see the solution as law enforcement rather than adequate and accessible low-cost
housing, medical treatment, psychological counselling and job training. The Right to Rest Act introduced in California, Colorado and Oregon is an example of the type of legislative approach needed to shift from the criminal justice response to a human rights-centred response to homelessness.

46. As the Special Rapporteur explained in more detail in his 15 December 2017 statement, coordinated entry systems to match housing supply for the homeless to demand have been introduced in Los Angeles, San Francisco and elsewhere. These are premised partly on the idea that homelessness is a data problem and that new information technologies are key to solving it. But despite the good intentions behind them, including the reduction of duplication and fragmentation in service delivery, coordinated entry systems simply replicate many problems associated with existing policy responses. They contribute to the process of criminalization by requiring the homeless to take part in an intrusive survey that makes many feel they “are giving up their human right to privacy in return for their human right to housing”. Many participants fear that police forces have access to data collected from the homeless; it could be concluded from conversations between the Special Rapporteur and officials and experts that this fear may well be justified. The introduction of coordinated entry systems has also been criticized for being costly and diverting resources and attention away from the key problem, which is the lack of available housing for those in need. New information technology-based solutions, such as coordinated entry systems, might bring improved reliability and objectivity, but the vulnerability scores they produce have been challenged for their randomness.

Treatment of the poor in the criminal justice system

47. In many cities and counties, the criminal justice system is effectively a system for keeping the poor in poverty while generating revenue to fund not only the justice system but many other programmes. The use of the legal system to raise revenue, not to promote justice, as was documented so powerfully in a 2015 report on Ferguson, Missouri by the Department of Justice, is pervasive around the country.

48. So-called fines and fees are piled up so that low level infractions become immensely burdensome, a process that affects only the poorest members of society, who pay the vast majority of such penalties. Driving licences are also commonly suspended for a wide range of non-driving related offences, such as a failure to pay fines. This is a perfect way to ensure that the poor, living in communities that have steadfastly refused to invest in serious public transport systems, are unable to earn a living that might have helped to pay the outstanding debt. Two paths are open: penury, or driving illegally, thus risking even more serious and counterproductive criminalization.

49. Another practice that affects the poor almost exclusively is that of setting large bail bonds for a defendant who seeks to go free pending trial. Some 11 million people are admitted to local jails annually, and on any given day more than 730,000 people are being held, of whom almost two thirds are awaiting trial, and thus presumed to be innocent. Yet judges have increasingly set large bail amounts, which means that wealthy defendants can

68 See, for example, Gary Blasi and Phillip Mangano, “Stop punishing and start helping L.A.’s homeless”, Los Angeles Times, 30 June 2015.
70 See, for example, City of Los Angeles, Comprehensive Homeless Strategy (2016), p. 49.
71 Statement made during a civil society consultation, San Francisco, 6 December 2017.
72 A recent publication estimated that in Los Angeles alone the coordinated entry system had cost about $11 million since its introduction, including only the cost of technical resources, software and extra personnel, not the cost of providing actual housing or services. (Virginia Eubanks, Automating Inequality (New York, St. Martin’s Press, 2018), p. 113.
73 Ibid., chap. 3.
75 See, for example, Lawyers’ Committee for Civil Rights of the San Francisco Bay Area and others, “Not just a Ferguson problem: how traffic courts drive inequality in California” (2015).
secure their freedom while poor defendants are likely to stay in jail, with severe consequences such as loss of jobs, disruption of childcare, inability to pay rent and deeper destitution.

50. A major movement to eliminate bail bonds is gathering steam across the United States, and needs to be embraced by anyone concerned about the utterly disproportionate negative impact of the justice system upon the poor. The purpose of the reform is to link pretrial detention to risk rather than wealth. A growing number of jurisdictions are adopting risk assessment tools to assist in pretrial release and custody decisions. This is a positive development, but the widespread use of risk assessment tools also raises human rights concerns.

51. The fear is that highly political questions about the level of risk that society considers acceptable are hidden behind the veneer of technical design choices, that obscure algorithms disproportionally identify poor defendants as “high risk” by replicating the biased assumptions of previous human decision makers,76 and that private contractors who develop risk assessment tools will refuse to divulge their content on the grounds that the information is proprietary, which leads to serious due process concerns affecting the civil rights of the poor in the criminal justice system.77

52. Solutions to major social challenges in the United States are increasingly seen to lie with privatization, especially in the criminal justice system. Bail bond corporations, which exist in only one other country in the world, precisely because they distort justice, encourage excessive and often unnecessary levels of bail, and lobby for the maintenance of a system that by definition penalizes the middle class and the poor.78

53. In some states, minor offences are routinely punished by placing the offender on probation, overseen by a for-profit corporation, entirely at the expense of the usually poor offender. Those who cannot pay are subject to additional fees, supervision and testing.79 Similarly, in 26 states judges issue arrest warrants for alleged debtors at the request of private debt collectors, thus violating the law and human rights standards. The practice affects primarily the poor by subjecting them to court appearances, arrest warrants that appear on background checks, and jail time, which interfere with their wages, their jobs, their ability to find housing and more.80

D. Persistent discrimination and poverty

Race

54. The United States remains a chronically segregated society. Blacks are 2.5 times more likely than Whites to be living in poverty, their infant mortality rate is 2.3 times that of Whites, their unemployment rate is more than double that for Whites, they typically earn only 82.5 cents for every dollar earned by a White counterpart, their household earnings are on average well under two thirds of those of their White equivalents, and their incarceration rates are 6.4 times higher than those of Whites.81 These shameful statistics can only be

76 Written submission to the Special Rapporteur from Edward W. Felten and Bendert Zevenbergen, Princeton University.
77 AI Now, “AI Now 2017 report”.
80 American Civil Liberties Union, “First-ever national report on widespread court practices that coerce payments from people in debt without due process”, February 2018. See also American Civil Liberties Union, A Pound of Flesh: The Criminalization of Private Debt (2018).
81 Economic Policy Institute, “50 years after the Kerner Commission” (26 February 2018). See also Fred Harris and Alan Curtis (eds.), Healing Our Divided Society (Temple University Press, 2018).
explained by long-standing structural discrimination on the basis of race, reflecting the enduring legacy of slavery.82

55. Ironically, politicians and mainstream media portrayals distort this situation in order to suggest that poverty in America is overwhelmingly Black, thereby triggering a range of racist responses and encouraging Whites to see poverty as a question of race. Too often the loaded and inaccurate message that parts of the media want to convey is “lazy Blacks sponge off hard-working Whites”.

Gender

56. Women often experience the burdens of poverty in particularly harsh ways. Poor pregnant women who seek Medicaid prenatal care are subjected to interrogations of a highly sensitive and personal nature, effectively surrendering their privacy rights.83 Low-income women who would like to exercise their constitutional, privacy-derived right to access abortion services face legal and practical obstacles, such as mandatory waiting periods and long driving distances to clinics. This lack of access to abortion services traps many women in cycles of poverty.84 When a child is born to a woman living in poverty, that woman is more likely to be investigated by the child welfare system and have her child taken away from her.85 Poverty is frequently treated as a form of “child neglect” and thus as cause to remove a child from the home,86 a risk exacerbated by the fact that some states do not provide legal aid in child welfare proceedings.87

57. Racial discrimination makes matters even worse for many poor women. Black women with cervical cancer — a disease that can easily be prevented or cured — have lower survival rates than White women, due to later diagnosis and treatment differences,88 owing to a lack of health insurance and regular access to health care. The United States has the highest maternal mortality ratio among wealthy countries, and black women are three to four times more likely to die than White women. In one city, the rate for Blacks was 12 times higher than that for Whites.89

58. In rural areas, women face significantly higher poverty rates, as well as related child poverty.90 In economically depressed areas of the Midwest, rural Appalachia and the deep south unemployment is high and essential services, such as childcare, health care and grocery stores, are unavailable or difficult to access.91 A lack of adequate public transport means that families are unable to access decent supermarkets and instead rely predominantly on expensive and poorly stocked local stores. In general, poor women and

82 Center for American Progress, “Systematic inequality: how America’s structural racism helped create the black-white wealth gap” (2018). See also Tommie Shelby, Dark Ghettos: Injustice, Dissent and Reform (Belknap Press, 2016).
85 Written submissions to the Special Rapporteur from National Advocates for Pregnant Women and the Center for Reproductive Rights.
87 Written submission to the Special Rapporteur from National Advocates for Pregnant Women.
90 See, for example, Southern Rural Black Women’s Initiative for Economic and Social Justice, Unequal Lives: The State of Black Women and Families in the Rural South, p. 6.
their children are more likely to be obese and suffer serious health issues and non-communicable diseases that hinder them for the rest of their lives.92

59. Female immigrants, who often suffer racial discrimination from employers and find it more difficult to get jobs, experience higher poverty rates and have much less access to social protection benefits than other women.93 Undocumented women live a kind of half-life, in which they experience exploitation, abuse and wage theft, and are refused access to utilities such as water, but are unable to seek assistance or protection for fear of deportation.94 While their undocumented status raises difficult legal and policy questions, their shadow existence as mothers of United States citizens and as domestic, sex or other workers undermines their ability to live a life in dignity. Even many permanent residents who have lived in the United States for less than five years are excluded from coverage under the Affordable Care Act95 and assistance such as the Supplemental Nutrition Assistance Program, the Temporary Assistance for Needy Families programme and housing benefits.96

60. Lack of Internet connectivity in rural impoverished communities negatively affects access to social protection benefits, other government services and even employment.97 In West Virginia, where an estimated 30 per cent of the population lack access to high speed broadband (compared to 10 per cent nationally) and 48 per cent of rural West Virginians lack such access (compared to 39 per cent of the rural population nationally), the government has no serious plans to improve access.

Indigenous peoples

61. The Special Rapporteur heard testimonies from Chiefs and representatives of federally recognized and non-recognized tribes on widespread extreme poverty in their communities. Indigenous peoples, as a group, suffer disproportionately from multidimensional poverty and social exclusion. The 2016 poverty rate among American Indian and Alaska Native peoples was 26.2 per cent, the highest among all ethnic groups.99 Indigenous peoples also have the highest unemployment rate of any ethnic group: 12 per cent in 2016, compared to the national average of 5.8 per cent.100 One in four indigenous young people aged 16 to 24 are neither enrolled in school nor working.101

62. Disparities between indigenous and non-indigenous health status have long been recognized but not effectively addressed. American Indians and Alaska Natives face almost a 50 per cent higher death rate than do non-Hispanic White people, due to illnesses such as heart disease, cancer, chronic liver disease and diabetes.102 Poverty, unemployment, social

92 See, for example, Southern Rural Black Women’s Initiative for Economic and Social Justice, Unequal Lives.
93 See www.migrationpolicy.org/article/immigrant-women-united-states#Poverty.
94 Written submission to the Special Rapporteur from the Miami Workers Center and others on the feminization of poverty in Miami; Azadeh Shahshahani and Kathryn Madison, “No papers? You can’t have water: a critique of localities’ denial of utilities to undocumented immigrants”, Emory International Law Review, vol. 31, No. 4 (2017).
95 Samantha Artiga and Anthony Damico, Health Coverage and Care for Immigrants, issue brief (The Henry J. Kaiser Family Foundation, 2017).
96 See, for example, the submission from the Miami Workers Center and others, and Shahshahani and Madison, “No papers?”.
97 See, for example, the written submission to the Special Rapporteur from Access Now. Broadband access is also seriously lacking in the South (Southern Rural Black Women’s Initiative for Economic and Social Justice, Unequal Lives, p. 16).
98 West Virginia Center on Budget and Policy and American Friends Service Committee, 2016 State of Working West Virginia: Why is West Virginia so Poor?, p. 55.
101 Ibid., p. 37.
exclusion and loss of cultural identity also have significant mental health ramifications and
often lead to a higher prevalence of substance abuse, domestic violence and alarmingly
high suicide rates in indigenous communities, particularly among young people. Suicide is
the second leading cause of death among American Indians and Alaska Natives aged
between 10 and 34.103

63. In entering a “trust relationship” with the recognized tribes, the Government
assumed duties to provide for economic and social programmes to ensure the welfare of the
relevant indigenous groups.104 But their very high poverty rates attest to the Government’s
failure in this respect. Chronic underfunding of the relevant federal government
departments is a significant part of the problem.105 The situation has also been compounded
by paternalistic attitudes, 106 which run directly counter to the approach reflected in
international human rights law and standards, particularly the United Nations Declaration
on the Rights of Indigenous Peoples, which the Government endorsed in 2010.

64. The situation of non-federally recognized tribes is even more desperate, for they are
not eligible to benefit from federally funded programmes. While 567 tribes are federally
recognized, some 400 are not.107 The latter exist in a context in which their way of life is
not legally sanctioned, they are disempowered and their culture is threatened. Failure to
collect disaggregated data for those tribes also hinders the development of evidence-based
policies to address their situation.

E. Confused and counterproductive drug policies

65. The opioid crisis has devastated many communities, and the addiction to pain-
control opioids often leads to heroin, methamphetamine and other substance abuse. Instead
of responding with increased funding and improved access to vital care and support, the
federal Government and many state governments have instead mounted concerted
campaigns to reduce and restrict access to health care by the poorer members of the
population.108

66. In terms of welfare, the main responses have been punitive. States increasingly seek
to impose drug tests on recipients of welfare benefits, with programmes that lead to
expulsion from the programme for repeat offenders. Others have introduced severe
punishments for pregnant women who abuse drugs. Medical professionals recognize that
such policies are counterproductive, highly intrusive and misplaced. The urge to punish
rather than assist the poor often also has racial undertones, as in the contrast between the
huge sentences handed down to those using drugs such as crack cocaine (predominantly
Black) and those using opioids (overwhelmingly White).

F. Environmental pollution

67. Poor rural communities throughout the United States are often located close to
polluting industries that pose an imminent and persistent threat to their human right to

105 See, for example, United States Government Accountability Office, Progress on Many High-Risk
Areas, While Substantial Efforts Needed on Others, report to congressional committees (February
106 See A/HRC/21/47/Add.1, para. 15.
107 United States Government Accountability Office, Federal Funding for Non-Federally Recognized
108 See, for example, Debra E. Houry, Tamara M. Haegerich and Alana Vivolo-Kantor, “Opportunities for
prevention and intervention of opioid overdose in the emergency department”, Annals of Emergency
health. At the same time, poor communities benefit very little from these industries, which they effectively subsidize because of the low tax rates offered by local governments to the relevant corporations.

68. Poor communities suffer especially from the effects of exposure to coal ash, which is the toxic remains of coal burned in power plants. It contains chemicals that cause cancer, developmental disorders and reproductive problems, and is reportedly dumped in about 1,400 sites around the United States — 70 per cent of which are situated in low-income communities. In Puerto Rico, the Special Rapporteur visited Guayama, where poor communities live close to a plant owned by Applied Energy Systems (AES) that produces coal ash. Community members noted severe negative impacts on their health and economic activities; neither federal nor local authorities had taken action. In March 2018 the Environmental Protection Agency proposed a new rule that would significantly undermine existing inadequate protections against coal ash disposal.

69. In Alabama and West Virginia, a high proportion of the population is not served by public sewerage and water supply services. Contrary to the assumption in most developed countries that such services should be extended by the government systematically and eventually comprehensively to all areas, neither state was able to provide figures as to the magnitude of the challenge or details of any planned government response.

VII. Conclusions and recommendations

70. The following analysis focuses primarily on the federal level. It is nonetheless ironic that those who fight hardest to uphold state rights also fight hard to deny city and county rights. If the rhetoric about encouraging laboratories of innovation is to be meaningful, the freedom to innovate cannot be restricted to state politicians alone.

1. Decriminalize being poor

71. Punishing and imprisoning the poor is the distinctively American response to poverty in the twenty-first century. Workers who cannot pay their debts, those who cannot afford private probation services, minorities targeted for traffic infractions, the homeless, the mentally ill, fathers who cannot pay child support and many others are all locked up. Mass incarceration is used to make social problems temporarily invisible and to create the mirage of something having been done.

72. It is difficult to imagine a more self-defeating strategy. Federal, state, county and city governments incur vast costs in running jails and prisons. Sometimes these costs are “recovered” from the prisoners, thus fuelling the latter’s cycle of poverty and desperation. The criminal records attached to the poor through imprisonment make it even harder for them to find jobs, housing, stability and self-sufficiency. Families are destroyed, children are left parentless and the burden on governments mounts. But because little is done to address the underlying causes of the original problem, it continues to fester. Even when imprisonment is not the preferred option, the standard response to those facing economic hardship is to adopt policies explicitly designed to make access to health care, sick leave and welfare and child benefits more difficult to access and the receipt of benefits more stigmatizing.

73. A cheaper and more humane option is to provide proper social protection and facilitate the return to the workforce of those who are able. In the United States, it is poverty that needs to be arrested, not the poor simply for being poor.

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2. Acknowledge the plight of the middle class

74. Only 36 per cent of Republican voters consider that the federal Government should do more to help poor people, and 33 per cent believe that it already does too much.\(^\text{112}\) The paradox is that the proposed slashing of social protection benefits will affect the middle classes every bit as much as the poor. Almost a quarter of full-time workers, and three quarters of part-time workers, receive no paid sick leave. Absence from work due to illness thus poses a risk of economic disaster. About 44 per cent of adults either could not cover an emergency expense costing $400 or would need to sell something or borrow money to do it. Over a quarter of all adults are classified as having no access or inadequate access to banking facilities.\(^\text{113}\) The impacts of automation, artificial intelligence and the increasing fluidity of work arrangements mean that employer-provided social protection will likely disappear for the middle classes in the years ahead. If this coincides with dramatic cutbacks in government benefits, the middle classes will suffer an ever more precarious economic existence, with major negative implications for the economy as a whole, for levels of popular discontent and for political stability.

3. Acknowledge the damaging consequences of extreme inequality

75. The United States already leads the developed world in income and wealth inequality, and it is now moving full steam ahead to make itself even more unequal. But this is a race that no one else would want to win, since almost all other nations, and all the major international institutions, such as OECD, the World Bank and IMF, have recognized that extreme inequalities are economically inefficient and socially damaging. The trajectory of the United States since 1980 is shocking. In both Europe and the United States, the richest 1 per cent earned around 10 per cent of national income in 1980. By 2017 that had risen slightly in Europe to 12 per cent, but massively in the United States, to 20 per cent. Since 1980 annual income earnings for the top 1 per cent in the United States have risen 205 per cent, while for the top 0.001 per cent the figure is 636 per cent. By comparison, the average annual wage of the bottom 50 per cent has stagnated since 1980.\(^\text{114}\)

76. The problem is that “inequality” lacks salience with the general public, who have long been encouraged to admire the conspicuous, and often obscene, consumption of billionaires and celebrities. What extreme inequality actually signifies is the transfer of economic and political power to a handful of elites who inevitably use it to further their own self-interest, as demonstrated by the situation in various countries around the world. While the poor suffer, so too do the middle class, and so does the economy as a whole. High inequality undermines sustained economic growth. It manifests itself in poor education levels, inadequate health care and the absence of social protection for the middle class and the poor, which in turn limits their economic opportunities and inhibits overall growth.

77. Extreme inequality often leads to the capture of the powers of the State by a small group of economic elites. The combined wealth of the United States Cabinet is around $4.3 billion. As noted by Forbes: “America’s first billionaire president has remained devoted to the goal of placing his wealthy friends in his Cabinet, a top campaign promise.”\(^\text{115}\) And many regulatory agencies are now staffed by “political appointees with deep industry ties and potential conflicts”.\(^\text{116}\) Extreme inequality thus


\(^{114}\) Facundo Alvaredo and others, coordinators, World Inequality Report 2018, (World Inequality Lab).


poses a threat not just to economic efficiency but to the well-being of American democracy.

4. Recognize a right to health care
   78. Health care is, in fact, a human right. The civil and political rights of the middle class and the poor are fundamentally undermined if they are unable to function effectively, which includes working, because of a lack of the access to health care that every human being needs. The Affordable Care Act was a good start, although it was limited and flawed from the outset. Undermining it by stealth is not just inhumane and a violation of human rights, but an economically and socially destructive policy aimed at the poor and the middle class.

5. Get real about taxes
   79. At the state level, the demonizing of taxation means that legislatures effectively refuse to levy taxes even when there is a desperate need. Instead they impose fees and fines through the back door, some of which fund the justice system and others of which go to fund the pet projects of legislators. This sleight-of-hand technique is a winner, in the sense that the politically powerful rich get to pay low taxes, while the politically marginalized poor bear the burden but can do nothing about it. There is a real need for the realization to sink in among the majority of the American population that taxes are not only in their interest, but also perfectly reconcilable with a growth agenda. A much-cited IMF paper concluded that redistribution could be good for growth, stating: “The combined direct and indirect effects of redistribution — including the growth effects of the resulting lower inequality — are on average pro-growth.”