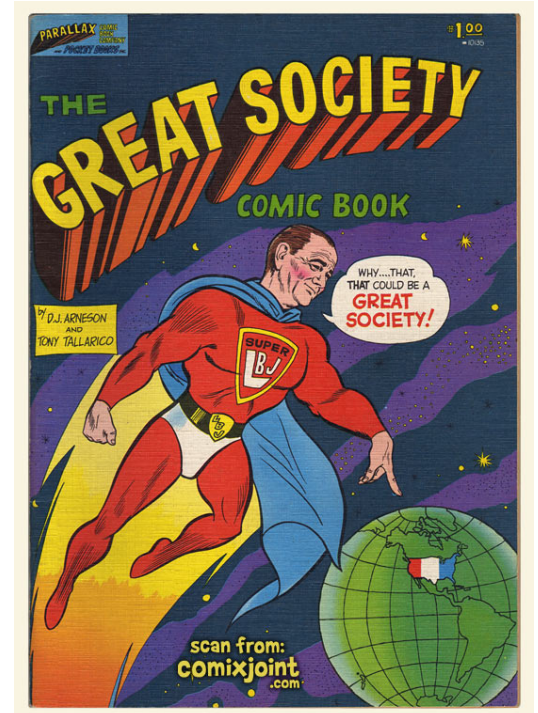


## The Great Society & Poverty

### *The Great Society*

When Lyndon B. Johnson took office after Kennedy's assassination he declared 'a war on poverty'. These policies were known as the 'Great Society'. In his first years of office he obtained passage of one of the most extensive legislative programs in the Nation's history. The Great Society included aid to education, attack on disease, Medicare, urban renewal, beautification, conservation, development of depressed regions, a wide-scale fight against poverty, control and prevention of crime and delinquency, removal of obstacles to the right to vote.

What did it achieve?



### **War on Poverty:**

The Economic Opportunity Act 1964

- Provided training to disadvantaged youths aged 16-21
- Helped low income students to work their way through college
- Recruited volunteers to work and teach in low income slum areas

Medicare and Medicaid 1965

- This provided medical insurance for the over-65s and hospital cover for the poor

Environmental Protection

- A series of laws to try and ensure clear water and enforce air quality standards

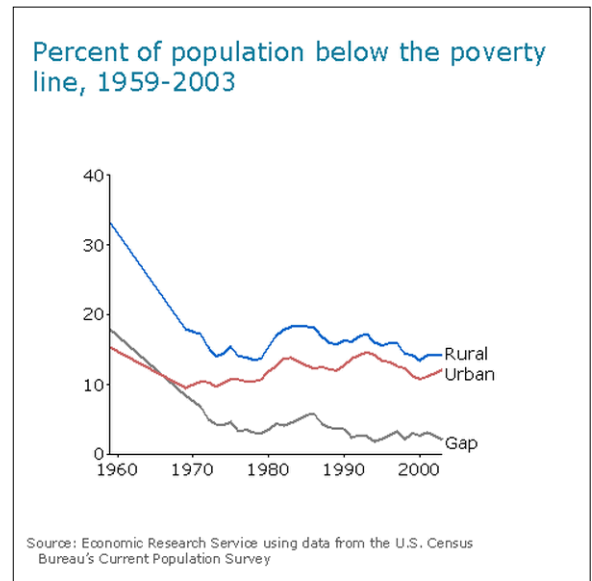
City Improvements – The Development Act 1964

- Provided money for replacing inner city slums with new homes.

However, all Johnson's attempts to create the 'Great Society' were undermined by the high costs of the war against Vietnam.

## *The War on Poverty in the 1970s*

The United States produces more per capita than any other industrialized country. Despite this, measured poverty is still more prevalent in the United States today than in most of the rest of the industrialized world. Poverty is also as prevalent now as it was in 1973, when the incidence of poverty in America reached a postwar low of 11.1 percent. These official figures represent the number of people whose annual family income is less than an absolute “poverty line” developed by the federal government in the mid-1960s. The poverty line is roughly three times the annual cost of a nutritionally adequate diet. It varies by family size and is updated every year to reflect changes in the consumer price index. In 2005, the poverty line for a family of four was \$19,971.

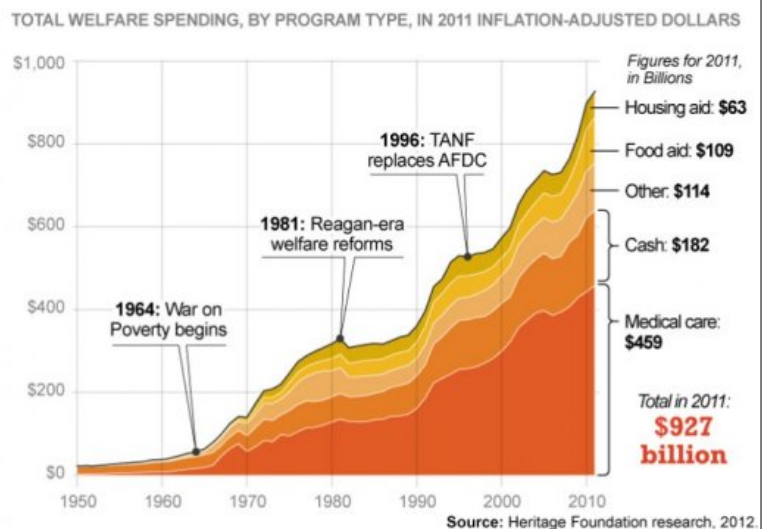


According to the Census Bureau, the poverty rate declined from 22.2 percent in 1960 to 12.6 percent in 2005. Most of this decline occurred in the 1960s. By 1970, the poverty rate had fallen to the current level of 12.6 percent. It then hovered between 11 and 13 percent in the 1970s, fluctuating primarily with the state of the economy.

The ebb and flow of the economy also influences the incidence of poverty. Researchers have found that recessions have a disproportionate impact on the poor because they cause rising unemployment, a reduction in work hours, and stagnant family incomes. The economic downturn of the 1970s was accompanied by rising poverty rates.

## Since the “War on Poverty” began in 1964, welfare spending has skyrocketed

Total federal and state welfare spending has increased more than 16-fold since 1964. Even since the 1996 welfare reform replaced Aid to Families with Dependent Children (AFDC) with the Temporary Assistance to Needy Families (TANF) program, spending has increased by 76 percent and by more than 20 percent since 2008.



During the 1970s and 1980s poverty in America became concentrated in urban areas, in particular the old industrial centers. Urban poverty tripled in the 1970s and kept on its expansion into the 1980s decade. As of 1980, nearly 70% of the urban poor were black, 20% were Latinos, and 10% white.

