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Background Paper

A Just and Sustainable Recovery: Hunger 2010

by Todd Post

David and his wife Lisa had never dreamed they would be relying on a food pantry to feed their four children and themselves. “This has taught me never to judge someone until you have walked in their shoes,” said Lisa.

As the economy began to unravel in 2007, the two college graduates found themselves with \$30,000 of business debts and no hope of holding on to the car and truck repair shop that they’d inherited from David’s parents. After they lost the business, David found a job briefly as a mechanic, but was laid off when the recession deepened. Months passed before he found a job fixing copiers. The drop in their income has been so severe that they still use the food pantry.

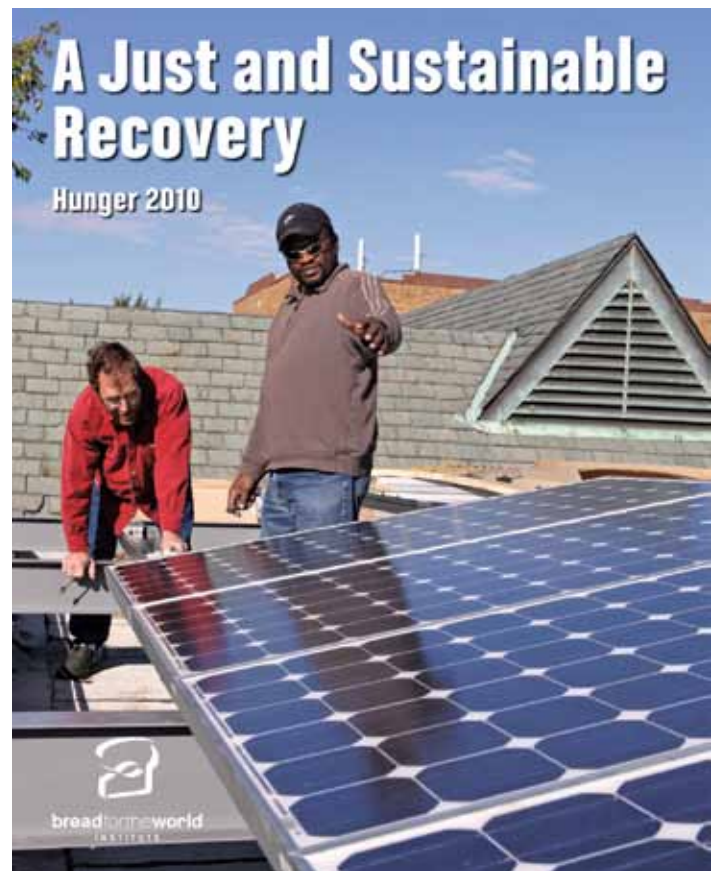
David, Lisa, and their kids live in northern Massachusetts. Stories like theirs have been common around the country since the start of the recession. And like Lisa, many testify to the empathy they’ve experienced, walking in the shoes of the hungry.

“I’m a spiritual person, and I can only wonder why God has led me here,” said Michael Brown of Los Angeles, a mental health professional with a master’s degree, out of work for nearly a year when his story appeared in the *Los Angeles Times* in January 2009. When there was nowhere else to turn, he and his 9-year-old daughter used the city’s emergency food system. “It’s humbling,” he said.

Recession, Recovery, Resilience

The title of the 2010 Hunger Report, *A Just and Sustainable Recovery*, leaves little room for doubt that the worst recession in 75 years is the starting place. But this is a forward-looking report. As sure as day follows night, recovery comes after recession. A lot remains unclear as to how recovery will unfold, whether it will be just or sustainable. “Business as usual” would be neither. How the country recovers will be a de facto verdict on many of the actions that made this recession worse than it had to be.

In the long run, the greatest threat to a sustainable



recovery may come from a looming crisis that we only now seem to be getting our minds around: global climate change. The actions that drove the economy into recession are in a sense magnified by the exploitation of this one, irreplaceable natural resource. “We created a way of raising standards of living that we can’t possibly pass on to our children,” remarked one analyst. Continuing the reckless consumption of fossil fuels mirrors the actions of speculators who wrecked the economy by creating an unsustainable asset bubble.

Climate change is a huge challenge—and a huge economic opportunity. The 2010 Hunger Report embraces

the job-creating potential of greening the economy, thereby creating the potential to reduce poverty. A green economy may mean different things to different people, but in this report we mean the transformation of the nation's energy infrastructure from today's heavy reliance on carbon-intensive fossil fuels to a much stronger embrace of clean, renewable forms of energy such as solar, wind, and geothermal. Creating a green economy also means investing in cost-effective strategies to boost energy efficiency, such as weatherizing homes and office buildings. In fact, this is the quickest way to reduce the greenhouse gas emissions that are causing climate change.

Clean energy and energy efficiency can engage a sizeable share of the U.S. workforce for at least a generation and probably several. Public and private investments in greening the economy will ensure that the recovery is sustainable for years to come.

A Just Recovery

A family's path out of poverty has several key elements. A job is still the best anti-poverty program there is. But millions of families remain in poverty, or on the cusp of poverty, with a parent, or even two parents, working hard to earn a living. By strengthening the Earned Income Tax Credit, we can help low-income families keep more of their earnings.

Parents with jobs, good jobs, are how families achieve a lasting end to hunger. A just recovery should do more than



Mark Fenton

Renovating buildings to be energy efficient—one way of fighting climate change—could lead to many new jobs.

merely replace lost jobs with new ones that continue the dismal trend of declining wages and increasing financial insecurity. The U.S. economy must produce more good jobs. This means jobs with wages sufficient to cover basic living expenses and the same kinds of benefits middle-income workers take for granted, such as affordable health insurance, paid sick leave, a retirement or savings plan, and opportunities for career advancement.

Green jobs offer low-wage workers career paths—and it is careers, more than jobs, which give people a sustainable hold on the middle class. “Green jobs” sound like something altogether new, but they are mostly jobs that already exist with some new skills added. A green roofer is like any other roofer, except that he has been trained to build roofs that are energy efficient. A manufacturer of solar cells is a green manufacturer in the sense that she is producing parts for the clean-energy industry, but it is still a manufacturing job.

Jobs are a family's main source of income, but there are other building blocks of economic security: stable housing; savings for longer-term goals like buying a home or attending college; good neighborhood schools where children can get a quality education. These are all important assets that can spur intra- and intergenerational mobility.

Over the course of a lifetime, the average college graduate earns a million dollars more than a high school graduate. But college completion rates among the best students from poor backgrounds pale in comparison to their peers from high-income families. Clearly, savings are an asset to help families pay for college. Government policies reward middle- and upper-income households with generous tax advantages to build savings, but do almost nothing to encourage low-income families to save. To receive government food assistance, even for a short period of time, families are forced to spend down savings.

For a generation of Americans following World War II, government policies did much more to promote economic mobility than they have in recent decades. Legislation like the G.I. Bill, for example, helped create millions of new middle-class families by making home loans and college scholarships available to returning war veterans. Such a transformative effort has not been attempted in decades.

At the top and bottom of the income scale—above the 90th percentile and below the 10th percentile—the odds are that children will end up in the same place as their parents. At the top, parents get to pass on their wealth to their children, and that's all well and good. The problem, of course, is the lack of opportunity for those born into the poorest 10 percent. No one's future should be predetermined by his or her circumstances at birth. Low-income families need a better set of policies to help overcome disadvantages and clear the

hurdles that keep them from getting out of poverty. *A Just and Sustainable Recovery* outlines how government policies can encourage and support low-income households that are doing their part.

Household conditions are one lens to use to understand how families end up in poverty. Too often it is the only lens. Hundreds of communities around the country get stuck in poverty, without the help they need to get unstuck. They may be communities without any jobs that pay a family-supporting wage or without transportation services to get people to where the better jobs are. They may lack other basic services, such as health care, banks, safe areas where children can play, and even grocery stores.

Solutions to “place-based poverty” require more than what is being done to help individual households. Indeed it is much harder to turn a community around than to provide benefits to a household. The continued neglect of persistently poor communities is of no small consequence to the children growing up there. Scholars from the Pew Research Center, drawing on decades of data, argue that the most significant factor in why poor children turn out to be poor adults is the poverty rate in the communities where

they grow up. It carries more weight than a parent’s income, education, or marital status.

While running for president, then-Senator Barack Obama pledged to end child hunger in the United States by 2015. Since coming to the White House, he has recommitted to that goal. If we are serious about achieving the goal of ending child hunger, we have to reduce the liabilities and strengthen the assets in poor communities.

A Sustainable Recovery

Ending child hunger in the United States is an achievable goal. As the president, Congress, and state and local policy-makers lead the nation out of the worst recession since the 1930s, the time is right to rethink what defines real progress. Perhaps nothing shows us our society’s misplaced values as clearly as our acceptance of child hunger, conveying how indifferent we’ve become to the fate of future generations in a way that nothing else can.

A sustainable recovery in the United States will also depend to a significant degree on development in poor countries. No country has been spared the pain of this recession. Poor countries have suffered the worst because of their weak



condition to begin with. In 2009, the number of people who were chronically hungry crossed the threshold of 1 billion, rising by more than 100 million in a little over two years. This is a stark way to quantify how much suffering the recession has caused.

Climate change, perhaps more than any other challenge shared by the global community, illustrates how interconnected countries are. Emissions from coal plants in the United States and China contribute to the loss of farmland and sea level rise in Bangladesh. Cutting down forests in South America and Africa contribute to the severity of hurricanes in the Caribbean and Gulf of Mexico. Earth's atmosphere recognizes no country's borders.

Scientists agree that significant human contributions to climate change began with the advent of the Industrial Revolution in the 19th century. Emissions from the countries that have benefited most since the start of industrialization—Western Europe and the United States—dwarf those of developing countries.

Climate change puts additional stress on already vulnerable developing countries. Sub-Saharan Africa and South Asia, by virtue of their size, population, and poverty, will likely be “ground zero” in a warming world, forced to deal with sea level rise, desertification, and the resulting displacement of populations. *A Just and Sustainable Recovery* addresses the responsibility of rich countries, including the United States, to help poor countries adapt to the effects of climate change that are already inevitable.

Development and adaptation can (and, many would argue, must) be addressed together. Some of the best adaptation is, in fact, economic growth that provides poor households and poor countries with the resources they need to adjust and cope with change. Funding for adaptation should be additional to official development assistance. Development and adaptation must not be cast as competitors for the same pool of resources.

Rich countries also have a responsibility to share clean-energy technologies with poor countries. Greening one's own economy, while good in itself, does not begin to deal with an interconnected global crisis. Poor countries can't develop without energy, and we cannot realistically expect them to forestall development

until renewable energy matures to become affordable for everyone.

A Just and Sustainable Recovery: Hunger 2010 stresses the mutual benefits of economic growth and reducing greenhouse gas emissions. Today, no country's future is secure unless all countries reduce dependence on fossil fuels and increase use of clean energy. Economic growth and reducing greenhouse gas emissions not only can occur simultaneously, they can reinforce each other, in much the same way that green jobs in the United States can provide productive employment and promote energy efficiency and economic growth.

The bottom line for gauging the success of the economic recovery is whether there is a significant reduction in the number of hungry and poor people in the United States and around the world. This report is intended to challenge all of us to think creatively and constructively about how economic recovery, climate change, and poverty can be addressed together—for the benefit of us all.

Visit www.hungerreport.org to buy the report or find resources, including a reflection guide on the content of the 2010 report in the context of scripture; interactive maps and graphs; and data tables.

Different country circumstances require tailored approaches	
Countries	Low-carbon technologies and policies
Low-income countries	<ul style="list-style-type: none"> Expand energy access through grid and off-grid options Deploy energy efficiency and renewable energy whenever they are the least cost Remove fossil-fuel subsidies Leapfrog to distributed generation, where grid infrastructure does not exist
Middle-income countries	<ul style="list-style-type: none"> Scale up energy efficiency and renewable energy Integrate urban and transport approaches to low carbon use Remove fossil-fuel subsidies Conduct research, development, and demonstration in new technologies
High-income countries	<ul style="list-style-type: none"> Undertake deep emission cuts at home Put a price on carbon: cap-and-trade or carbon tax Remove fossil-fuel subsidies Increase research, development, and demonstration in new technologies Change high-energy-consuming lifestyle Provide financing and low-carbon technologies to developing countries

Source: World Bank *World Development Report 2010*.