



BY JOHN EDWARDS

# Building One America

**We live in Two Americas**, one for the wealthy and powerful and one for everyone else. One that lives by the paycheck calendar; another that never has to look at the calendar before writing a check. One that's afraid it won't be able to leave its children a better life; another whose children are already set for life. One America—middle-class America—long forgotten by Washington. Another America—narrow-interest America—whose every wish is Washington's command.

But we can build One America, a place where everyone has a fair shot at the American Dream—the right to succeed on the strength of your own merits—and the responsibility to help others to do the same. Nobody gets to pull the ladder up behind them once they've gotten to the top, and everybody has a chance to make the climb. It's a simple principle of fairness and opportunity, first and always, even in a complex world.

In the richest country in the history of the world, we have more millionaires and more billionaires than ever, but we also have more Americans living in poverty. Nearly thirty-seven million people are unable to fulfill their basic needs of food and shelter, no matter how many jobs they work. The typical CEO makes more by the end of lunch than an average wage worker makes all year. In fact, the income gap is wider than it has been at any time since before the Depression.

How we respond to this says everything about the character of America. We need to restore the dream that is America. But we also need to do it in a way that all Americans will be proud of. Not just by giving handouts to the poor, or pumping money into a broken government program, but by finding ways to help everyone who works hard and makes smart choices get ahead.

America has fought poverty before. Past efforts like Social Security, Medicaid, welfare reform, and the Earned Income Tax Credit have made a real difference. But poverty is still with us. Any effort to address it must face up to the reasons that past efforts have fallen short, and to the new challenges that have arisen.

First, work doesn't pay enough. A single mom with one child who works full time for the minimum wage is still about \$1,500 below the poverty line. In 2005, while corporate profits were up 13 percent, real wages fell for most workers.

Second, in too many poor communities, marriage is too rare, and male responsibility is not what it should be. Welfare reform has helped reduce poverty rates among single mothers, but too many young men remain cut off from the hopes and routines of ordinary American life.

Third, the debate of poverty policies is stuck in the old days. One side is driven by guilt, and the other by a deep skepticism of what government can accomplish. In reality, both sides should recognize that our whole economic future depends on making upward mobility universal.

That is why I've proposed we set a national goal of eliminating poverty in the next thirty years. It's an ambitious goal, but it's one we'll meet by building the America our founders imagined—an America where if you work hard, take personal responsibility, and do the right thing, you won't live in poverty, you won't just get by, you'll get ahead.

In order to get the country on the path to eliminating poverty, we must build a "Working Society," which builds on the lessons of the past to create solutions for the future. At the heart of the Working Society is the value of work. Work is not only a source of a paycheck, but also a source of dignity and independence and self-respect.

One harsh reality is that some people are in poverty because no one will give them a job, either because they have no prior work history, they lack basic skills such as the ability to read, or, the truth is, they have physical and mental challenges. This is particularly true for young men. Welfare reform asked young mothers to join the workforce and gave them help to get there. But in America today, there are communities where half the young men are out of work.

If we believe that everyone who is capable of working should work, then we need to make sure that they have the opportunity to do so. I believe that we should create one million "stepping stone" jobs over five years. These will be good jobs that will let people work their way out of poverty in the short term, and help them get experience so they can get better jobs in the future.

And while we expect people to work and will help make sure they can, the Working Society would make sure all Americans have something to show for it. The erosion of the minimum wage is a disgrace; we need to raise it to at least \$9.50 an hour by 2012. And we should put the minimum wage on track to grow automatically as wages grow so minimum-wage workers never have to wait on Washington again.

Organized labor has been the greatest antipoverty movement in American history. We need to give America's workers a real right to organize. Unions helped move manufacturing jobs into the foundation of our middle class, and they can do the same for our service economy.

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It's time for us to put our economy back in line with our values. It's time to end the president's war on work and restore fairness to a tax code that has been driven badly out of whack. In America, when the middle-class makes money from hard work, they shouldn't pay higher taxes than when the rich make money from money. The place to start is unearned income: capital gains and dividends. We should repeal the Bush tax cuts for families earning more than \$200,000 a year and raise the top capital gains rate to 28 percent, while protecting the savings and investments of regular families.

There's a saying, "income is what you use to get by, but assets are what you use to get ahead." It's true, and it's why we can beat poverty by helping every working American build—and protect—their own assets: a savings account they can use to start a small business, to fall back on in hard times, or as a down payment to buy their first home. Yet because our tax code gives the biggest savings breaks to the people at the top, most families today don't have the necessary incentives to save. We should help millions of American families build a better life by providing each of them a dollar-for-dollar match on up to \$500 a year of their savings. I call them Get Ahead Accounts, and they would give millions of families the chance to do just that. We should give even more help to low-income families.



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In the 1990s, we saw how a new approach to welfare could help millions of families achieve independence. Now it is time for a new approach for another tough issue: housing.

We need to integrate our neighborhoods economically. Many neighborhoods were once segregated by race; now segregation by wealth is common, often with a racial dimension. If we truly believe that we are all equal, then we should live together too.

We could all see the problems of concentrated poverty after Katrina, but the truth is that nearly every major American city has similar neighborhoods that remain unseen. The federal government has built public housing in the worst neighborhoods and overlooked the need for affordable housing in the suburbs. These policies cut willing workers off from entry-level jobs, which are often created in the suburbs, far from public transportation. And they keep low-income children far from good schools.

If conservatives really believed in markets, they'd join us in a more radical and more sensible solution: creating one million more housing vouchers for working families over the next five years. Done right, vouchers can enable people to vote with their feet to demand safe communities with good schools. We can help pay for this by cutting back HUD's role in managing public housing, which it doesn't do very well and often sticks working families in bad neighborhoods.

We can take the opportunity to give more authority to cities and states to tackle housing problems in their own regions. They will be responsible for taking a regional approach—including both cities and suburbs—and creating affordable housing near jobs and good schools.

Finally, work should be at the center of our housing policy just as it is at the center of our other social policies. We should attach a contract to new housing vouchers: if they don't already have jobs, recipients must work toward independence, and in return we will help them earn more and save more.



In the Working Society, we'd get serious about improving our schools. Addressing all the problems in our education system is beyond the scope of this essay, but here are three ideas that are cornerstones of my antipoverty strategy.

First, every child should be prepared to succeed when they show up in the classroom. Sadly, children from poor families, who most need high-quality preschool, are the least likely to get it. I have proposed a national "Great Promise" partnership to give a quality early childhood education to every four-year-old in the country—starting with children in poor neighborhoods with struggling schools.

Second, we need to address the dropout crisis in our nation. We can never overcome poverty until we address it—not by lowering standards, but by making sure everyone can meet them. America is about second chances, so I don't see why we shouldn't have "second-chance schools." These schools would lift up former dropouts, offering them one-on-one attention and a chance to earn a diploma at night or at a local community college.

Third, we need to make college affordable for everyone. If you've ever heard me talk about education, you know about a program I call "College for Everyone," which allows students to go to the first year of college for free if they are willing to stay out of trouble and take a part-time job. College for Everyone works. Two years ago, I helped start a "College for Everyone" program in Greene County, North Carolina. The results have been terrific, helping increase the college-going rate from 54 to 74 percent.



Good public schools and the chance to go to college meant everything in my life. But even to this day, there's something that matters more—family. I don't know where I'd be without parents who taught me right from wrong, and that there are consequences for the choices I make in life.

In a Working Society, we'll make a priority of strengthening families. As a start, we would cut the marriage penalty in the Earned Income Tax Credit that still hits poor workers, because penalizing marriage makes absolutely no sense. We would also expand the EITC for low-income single workers, who are the only Americans living in poverty and paying federal taxes, to draw them into the workforce. And we would create opportunities for young fathers to work and take responsibility for their children, and reward them for doing so.

But after that, there's only so much the government can do. So the real burden of promoting strong families falls to us.

All of us—parents, clergy, teachers, public officials—need to say that it is wrong when young men father children but don't support them. It is wrong when girls and young women bear children they aren't ready to care for. It is wrong when corporate America—through movies, music, and advertising—promotes a culture of reckless behavior to our youth. And it is wrong when all Americans see this happening and do nothing to stop it.

Fighting poverty is a job for government, it is a job for communities, it is a job for all of us. I know that together we can build One America—a place where everyone has a fair shot at the American Dream.

