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Bush's 'Don't Give a Dam' Creates Poverty in the U.S.

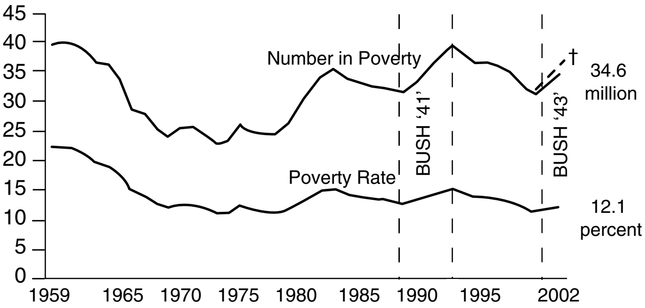
by Paul Gallagher

Poverty in the United States—systematically measured by the U.S. Census Bureau since 1960 and currently defined by an income of $9,573 or less for an individual, $18,860 or less for a family of four—has been increasing sharply during the Administration of President George W. Bush. The number of Americans in poverty rose by nearly 1.5 million a year between 2000 and 2002. If the Census Bureau's calculation of the poor is adjusted by the National Academy of Science's recently proposed accounting of rapidly increasing healthcare costs (one factor pushing families and individuals into poverty), then the total number of poor Americans reached 37 million in 2002, and may soon hit 40 million, all the way back up to where the poverty index started 45 years ago, after the successive recessions of the post-World War II period.

Virtually every state in the nation experienced a reversal, in 2000, from slowly falling, to (usually more rapidly) rising rates and numbers of people in poverty. The Cheney-Bush Administration has opposed and blocked spending on economic infrastructure of every kind—from using veto threats to stop transportation-development bills passed by their own party in Congress; to pushing lunatic electricity and gas deregulation schemes which brought cuts in power infrastructure in the West in particular; to cutting NASA budgets even while mandating new planning for Moon and Mars missions; and to blocking with Tom DeLay and his ilk in the Congress to cut absolutely vital Army Corps of Engineers funding for water management and navigation infrastructure, as the articles of this *Feature* demonstrate.

A look at the history of the numbers and percentage of the American population in poverty over that 45-year period (**Figure 1**), shows President Bush seeming to share a *family talent* for increasing the poverty rate—a talent which is almost unique. During the whole stretch from 1959-2004, there are only three terms in which poverty has increased: that of President George W. Bush; that of his father, President George Herbert Walker Bush; and that of the intentional "controlled disintegrator" of the U.S. economy, not President but Federal Reserve Chairman Paul Volcker, in the 1978-83 period when Volcker raised prime interest rates to 20%. With the exception of Volcker and the Bushes' "talent" for raising poverty, it has fallen in America over nearly six decades. The most successful of those decades against poverty was clearly the 1960s period of investments in economic infrastructure led by the Apollo space project; in fact, the poverty rate reached its low point of the whole 50 years, as astronaut Neil Armstrong finally walked on the Moon.

FIGURE 1
National Number in Poverty and Poverty Rate, 1959-2002
(Number in Millions, Rate in Percent)



* Data points represent midpoints of years shown.
† Dotted line corrected by N.A.S. healthcare cost measure.

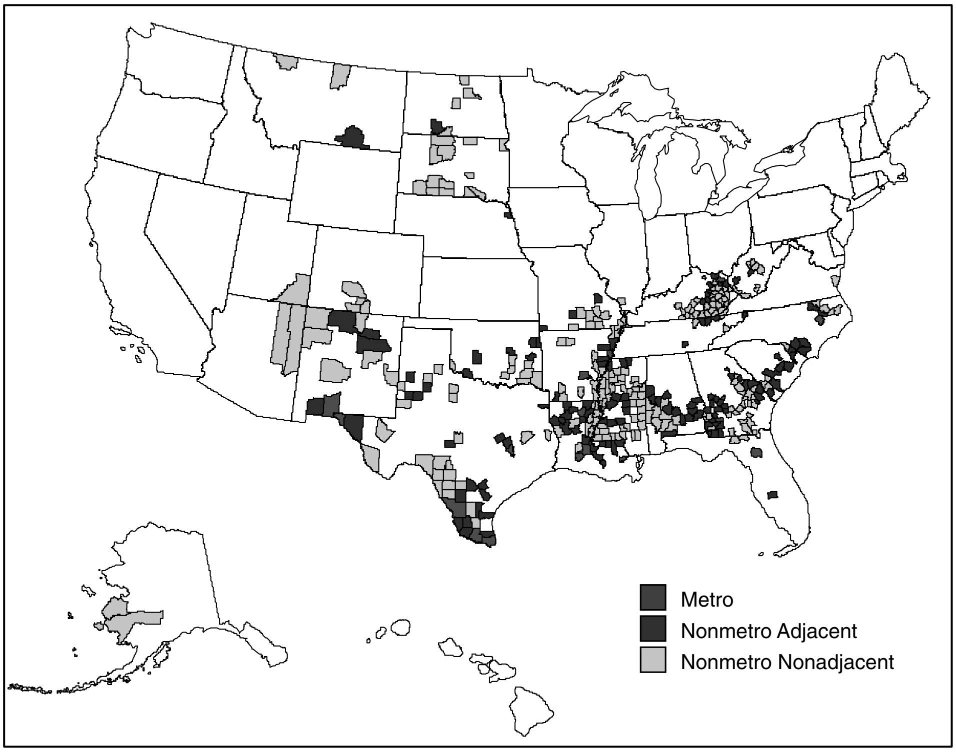
Source: U.S. Census Bureau, Current Population Survey 1960-2003; *EIR*.

Infrastructure vs. Poverty in the South

Severe and persisting poverty in America since the Second World War has been overwhelmingly a phenomenon of the South and Southwest, the areas of the least industrial development. During the period of the successive waves of political and economic "southern strategies," industrial firms have abandoned other regions to seek the lower wages and cheaper labor force benefits of the South—and the southern and southwestern states have recently accounted for nearly half the nation's population growth. The Texas-centered financial, corporate, and legal circles backing Cheney/Bush have been at the center of these "southern strategies."

But without the development of modern economic infrastructure, which requires Federal credit intervention in aid of the states, the widespread poverty in the states all the way from the Carolinas to New Mexico, especially in the rural and

FIGURE 2
Persistent 20% or Higher Poverty Counties over 40 Years, 1959-99



Source: U.S. Census Bureau; U.S. Dept. of Agriculture Economic Research Service.

"suburban" areas, has remained and even worsened. In 2002, with a national average poverty rate of 12.1%, statewide poverty rates in the South and Southwest included Arkansas, 19.8%; Mississippi, 18.4%; Louisiana, 17.5%; New Mexico, 17.9%; Texas, 15.3%; Oklahoma, 14.9%; North and South Carolina, 14.3%; Kentucky, 14.2%; and Alabama, 14.5%. Four of the southern states—Arkansas, Mississippi, South Carolina, and Florida—experienced increases in poverty of more than 1.5% from 2001-02; over the two-year period 2000-02, Arkansas' and Mississippi's statewide poverty rates each went up by 4%.

Across the South and Southwest, there are nearly 400 counties in 13 states which have suffered more than 20% poverty rates for three to four decades (see **Figure 2**), whereas only half a dozen states elsewhere in the country have any such "persistent poverty" counties. The spread of these counties, both urban and rural, shows chronically the depth of the problem of poverty in these areas of inadequate economic infrastructure.

But nothing shows how crucial the "FDR-style" infrastructure-projects policy is in solving this, more clearly than that region in the center of the southeastern states region, in which *no* urban or rural "persistent poverty" counties are shown. Look at the same region on the map in **Figure 3.** That region is essentially the Tennessee Valley Authority district of Franklin Roosevelt's 1930s TVA project of power, water management, flood control, navigation, sanitation, public education, and jobs creation, a project which became a global model of building modern infrastructure to leapfrog a poor and backward region into economic development.

From 1933 to the end of World War II, the TVA was the world's largest construction project, and the radiating effects of it transformed parts of seven states with modern economic infrastructure, in a lasting way which—the two compared maps show—has been a "persistent anti-poverty" antidote.

But clearly this legacy of FDR's policy urgently needs renewal now, as Lyndon LaRouche's "Super-TVA" policy of Federal credits for infrastructure, creating revenue and skilled jobs for the states. Cheney/Bush's poverty-creating "Don't give a dam" policy has to be ended.

FIGURE 3
TVA Service Area