The growing Latino presence in the United States underscores the need to address Latino poverty, previously overlooked in public policy discussions. Latinos are the fastest growing U.S. minority group, and Latino poverty is also rising. In 1990, one in every four Latinos was poor, and 40 percent of Latino children lived in poverty. Latino poverty is persistent; its causes are deeply rooted in low levels of education and concentration in low-paying jobs. Low participation in public assistance and high participation in the informal labor market make Latino poverty difficult to tackle by traditional policy devices. Lack of attention to Latino poverty is due to the following factors: (1) most poor Latinos work but much of the policy debate on poverty focuses on the nonworking poor; (2) geographic concentration of Latinos in a few states isolates them from national policy debates; (3) although 64 percent were born here, Latinos are perceived as immigrants and hence without claims on U.S. society; and (4) Latinos are a diverse population with low participation in the electoral process. Proposed routes for formulating a Latino policy agenda focus on family-centered policies; the increased role of states in policy design; neighborhoods as relevant units for policy intervention; education (increasing educational attainment, improving educational quality, and supporting bilingual education); and the role of macroeconomic structural changes in Latino poverty. Contains 101 references. (SV)
POLICY
IMPLICATIONS OF
LATINO POVERTY

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Population Studies Center
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EXECUTIVE SUMMARY

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In recent years, researchers and advocates have shown increased interest in issues of ethnicity and poverty among Latinos, a growing component of the U.S. population and of the population in poverty. Yet Latinos are often overlooked in public policy actions seeking to address issues of poverty. No cohesive strategy exists for addressing the poverty experienced by Latinos. Moreover, research on Latinos is often either unconnected to policy prescriptions or not considered in public policy debates.

The growing Latino presence underscores the need to address Latino poverty in public policy discussions. Latinos are the fastest growing minority group in the United States, and within 25 years they will become the nation’s largest minority group. Latino poverty is also on the rise. In 1990 one in every four Latinos was poor, and a significant portion of them lived in extreme poverty. Forty percent of Latino children live in poverty. Latinos also experience material hardship such as hunger and housing overcrowding. Latino poverty is persistent; its causes are deeply rooted in low levels of education and concentration in low-paid jobs. Low participation in public assistance and high participation in the informal labor market make Latino poverty difficult to tackle by traditional policy devices.

Various factors seem to be involved in the lack of attention to Latino poverty. First, most Latinos who are poor do work, and much of the policy
debate on poverty focuses on the nonworking poor. Second, the geographical concentration of Latinos in a few states often isolates them from national policy debates. Third, despite the fact that 64 percent of all Latinos in the United States were born here, Latinos are too often perceived as immigrants, and hence without claims in U.S. society. Fourth, the term Latino encompasses a diverse population, whose own ancestral differences often lead to disagreements regarding public policy actions. Finally, low participation in the electoral process reduces the political influence of Latinos.

A Latino policy agenda is difficult to craft because there is no unique agency or organization representing Latinos and because there is not a homogeneous Latino community. Further complicating the process is the fact that federal and state governments have moved away from race-specific policies. The large amount of race-specific knowledge on Latinos produced by research needs to be placed in the context of universal policies. The themes that unify the Latino population must be identified.

Several routes are proposed for policy action. Concentration of Latinos in a few states makes it easier to take advantage of the increased role of states in delineating antipoverty strategies. In addition, the familism of Latinos and their tendency to live in Latino neighborhoods make it important to examine the family and the neighborhood as relevant units for policy interventions. In the long run, policy issues related to the capacity of individuals and the economy to generate earnings must be addressed. Emphasis should also be given to increasing the educational attainment of Latinos, and attention must be paid to the connection between poverty and macroeconomic policies.
POLICY
IMPLICATIONS OF
LATINO POVERTY

Problems of ethnicity and poverty among Latinos in the United States are increasingly gaining the attention of researchers and advocates. Latinos, the nation's fastest-growing minority group, are projected to become the largest minority population in the United States within 25 years. However, despite the growing Latino presence and rising poverty rates among Latinos, there has been no comprehensive recognition in public policy of the particular problems associated with Latino poverty. Rather, Latino issues and research are often overlooked in national discussions of antipoverty strategies.

A broad body of research and statistics about Latino poverty in the United States has accumulated over the last decade; this has been the work of Latino research and advocacy centers, scholars, and government agencies. Among recently published accounts are the National Council of La Raza's 1993 report, *State of Hispanic America 1993: Toward a Latino Anti-Poverty Agenda*, and the Family Impact Seminar's *Latino Families, Poverty, and Welfare Reform* (Ooms and Figueroa 1992). Among scholarly reports are: Aponte (1991), Massey (1992), and Meléndez (1992). Several volumes on Latino socioeconomic issues have been published, including: Bean and Tienda (1987); Defreitas (1991); and Moore and Pinderhughes (1993).¹

National agencies charged with data collection have also responded to the Latino presence. The U.S. Bureau of the Census, in addition to its yearly
report on *The Hispanic Population in the United States*, publishes a yearly report, *Poverty in the United States*, presenting poverty rates for all Latinos (Census Bureau 1993b). The Census Bureau also issued a special volume on Latinos based upon the 1990 Census (Census Bureau 1993a). The National Center for Education Statistics examines the educational standing of Latinos (U.S. Department of Education 1992), and *Vital Statistics of the United States*, published annually by the National Center for Health Statistics, records the health status of Latinos. The *Survey of Minority-Owned Business Enterprises*, also published by the Bureau of the Census, presents business ownership among Latinos (Census Bureau 1991). In addition, almost all major data sets collected in the last five years have oversampled Latinos, including the National Longitudinal Survey of Youth; the Health and Retirement Survey; the National Survey of Families and Households; the March interviews of the Current Population Survey; and recent waves of the Panel Study of Income Dynamics.

At the organizational level, Latinos have also made impressive gains. A 1985 guide to Hispanic organizations listed over 100 Latino organizations, many of them national in scope (Philip Morris 1985).

Although important information gaps have been closed, others remain. Public policy attention to Latino issues still lags behind that granted to other constituencies. There is also a disjunction between research results on Latinos and public policy prescriptions. Although important information gaps have been closed, and Latino issues are increasingly a part of the research and community action agendas, other gaps remain. Most notably, public policy attention to Latino issues—within both political and scholarly debate—still lags behind that granted other constituencies. Within public policy debates, including, for instance, those on health care and welfare reform, the emphasis on Latino issues, although increasing, does not equal that accorded other organized constituencies. Similarly, the scholarly agenda on poverty and public policy continues to use a black-white framework. For example, important treatments of American poverty, such as Jenck's *Rethinking Social Policy* (1992) and Wilson's *The Truly Disadvantaged* (1987), do not address Latino poverty.

Another gap that needs to be closed is the disjunction between research results on Latinos and policy prescriptions. In reality, although most research on Latinos has public policy implications, the way to implement research results at the program level is not always articulated. At the same time, the policy implications of analytical studies may not be explicit or integral to the research.

Incorporating Latino issues into debates on poverty and public policy, and integrating research with policy proposals, are important conduits by which advocates and lawmakers can become informed on issues affecting this population.
This report addresses public policy issues related to Latino poverty, with the aim of developing a policy framework. My assessment of the issues is not intended to be definitive or all-inclusive. Rather, I outline what I believe to be key ideas in the analysis of Latino poverty and public policy. Throughout, I stress the commonalities among Latino subgroups and argue that subgroup differences reveal varying faces of the common theme of poverty.

The remainder of this report is divided into five sections. The first section discusses why Latino poverty should be a public policy concern. The second section discusses the reasons for the lack of attention to Latino poverty. The third section presents a general scheme for crafting a Latino public policy agenda. The fourth section identifies routes of policy action, and the final section outlines steps for bringing Latino issues to the public policy agenda.

Why Should Latino Poverty Be a Public Policy Concern?

Why should we care?

△ By the year 2020, 14.7 percent of the U.S. population will be Latino.
△ The Latino poverty rate has increased 6 points from 1979 to 1992.
△ Twenty-seven percent of full-time Latino workers are low-wage earners.
△ Forty percent of Latino children are poor.
△ Latinos remain outside the traditional safety net.
△ The cost of neglect falls on Latino children and communities and the nation.

This section discusses the need for increased attention to Latino poverty in public policy: sheer numbers, rising poverty, increased economic hardship, persistent poverty, isolation from the social safety net, and the high social cost of neglect.

Sheer Numbers

With sizable concentrations across the United States, Latinos have become a visible minority. In 1990, there were 21.8 million persons of Latino origin nationwide. In the year 2020 there will be approximately 47 million Latinos in the United States, accounting for 14.7 percent of the population and surpassing African Americans as the largest minority group (Edmonston and Passel 1992) (see figure 1). Already 9 of the largest 15 U.S. cities are 20 percent or more Latino.

Between 1980 and 1990, 3.9 million Latinos entered the United States, almost twice the number who entered in the previous decade. In 1990, 26 percent of public school children were Latinos, and 12 percent of the population ages 18 to 24 were Latinos. Thirty-six percent of the U.S. labor
force growth between the years 2000 and 2010 will be attributed to Latinos (Passel and Calhoun 1993).

The force driving the growth in Latino population is immigration. Of the 21.8 million Latinos in the United States in 1990, 36 percent were born outside the United States (U.S. Bureau of the Census [henceforth, Census Bureau] 1993a). The Latino foreign-born population grew by 84 percent between 1980 and 1990 while the native population grew by 32 percent. Of the 13.3 million people of Mexican descent, 33 percent are immigrants and 50 percent of these immigrants came to the United States between 1980 and 1990. The number of Puerto Ricans in the nation reached 2.6 million in 1990, and 42 percent were born in Puerto Rico. In the early 1980s, immigration from Cuba reached 200,000 persons—the highest number since the late 1960s—and the Cuban population in the United States reached 1.05 million. The number of Central Americans has also increased, mainly due to the civil wars in these countries during the 1970s and 1980s. Of a total of 1.04 million Central Americans (excluding Mexicans), 69 percent arrived between 1980 and 1990.

A second source of growth in the Latino population is fertility, combined with a young age structure. Owing to the large number of Latinos currently under the age of 18, and the large proportion who are in their reproductive years, a high Latino population growth is expected in the future, even without
immigration. In addition, Latino women have higher fertility rates than non-Latino women (Bean and Tienda 1987), raising Latino population growth even further.

As the number of Latinos increases, the cost of neglecting their plight deepens. Furthermore, as the proportion of Latinos in the U.S. population increases, the problems of Latinos become more and more the problems of the whole country. The U.S. labor force of the future will be affected greatly by the Latino population. It is important to address the socioeconomic disparities between Latinos and non-Latinos—in particular, those related to education and unemployment (see table 1).

### TABLE 1

**COMPARATIVE PROFILE OF LATINOS AND NON-LATINOS IN THE UNITED STATES, 1990**

<table>
<thead>
<tr>
<th>Characteristic</th>
<th>Latino</th>
<th>Non-Latino</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total persons</td>
<td>21,848,903</td>
<td>226,275,115</td>
</tr>
<tr>
<td>Share of total population</td>
<td>8.8%</td>
<td>91.2%</td>
</tr>
<tr>
<td>Population growth (1980 to 1990)</td>
<td>53.0%</td>
<td>7.0%</td>
</tr>
<tr>
<td>Median age</td>
<td>25.0 yrs.</td>
<td>32.6 yrs.</td>
</tr>
<tr>
<td>Proportion children (0 to 17 years)</td>
<td>35.0%</td>
<td>24.7%</td>
</tr>
<tr>
<td>Proportion elderly (65 years or more)</td>
<td>4.9%</td>
<td>13.3%</td>
</tr>
<tr>
<td>Proportion foreign-born</td>
<td>35.8%</td>
<td>5.3%</td>
</tr>
<tr>
<td>Proportion with 12 years of education</td>
<td>52.7%</td>
<td>23.6%</td>
</tr>
<tr>
<td>Proportion college graduates</td>
<td>7.5%</td>
<td>19.3%</td>
</tr>
<tr>
<td>Male labor force graduates</td>
<td>78.6%</td>
<td>74.0%</td>
</tr>
<tr>
<td>Female labor force participation</td>
<td>55.9%</td>
<td>56.7%</td>
</tr>
<tr>
<td>Unemployment rate</td>
<td>10.3%</td>
<td>5.8%</td>
</tr>
</tbody>
</table>


### Rising Poverty

The trends in Latino poverty over the last decade are disturbing. In 1992, the poverty rate of Latinos was 26.2 percent, compared to 30.9 percent for African Americans and 8.9 percent for whites (see figure 2). During the 1980s Latinos experienced larger increases in poverty than whites and African Americans. In 1992, the poverty rate of Latinos was almost 6 points above the 1979 level, compared to less than 1 point higher for African Americans, and 1.5 points higher for whites. Rising poverty rates coupled with growing numbers have made Latinos a larger component of the population in poverty. Census figures reveal that in 1990, 18 percent of all persons in poverty were Latinos, up 6 percentage points from the 1980 figure.

**Why Should Latino Poverty Be a Public Policy Concern?**
The largest share of the increase in Latino poverty can be attributed to married couples. The poverty rate of Latino married-couple families was 18.5 percent in 1992 (see table 2), 6 percentage points higher than in 1979 (Census Bureau 1993b). The poverty rate of white and African-American married couples increased by less than 1 percentage point each. The number of poor Latino married-couple families grew by 128 percent between 1979 and 1992, from 298,000 to 680,000 (see table 3). The corresponding rate of growth among white was 25 percent and, among African Americans, 7 percent. Latino married couples accounted for 49 percent of the total growth in the number of poor Latino families during the 1980s.

The contribution of female-headed households to Latino poverty is not as obvious. The poverty rate of Latino female-headed households—49 percent—remained virtually unchanged from 1979 to 1992 (see table 2, Census Bureau 1993b). The number of female heads of households in poverty grew more among Latinos than among non-Latinos (see table 3). But female-headed families contributed 39 percent of the 1979-92 increase in the number of poor Latino families, 10 percentage points less than the contribution of married couples.

Latino children are at a particularly high risk for poverty. In 1992, 39 percent of Latinos under the age of 18 were in poverty (table 2), up from 29 percent in 1979 (Census Bureau 1984, 1993b). The poverty rate of Latino children is 7.5 percentage points below the poverty rate of African-American children and more than twice the poverty rate of white children. A distinct pattern for Latinos also emerges with regard to changes in poverty rates as children grow older. Poverty declines substantially for African-American and white children above 5 years old, but not for Latino children. By age 17, the poverty rate of white children has
### TABLE 3
FAMILIES IN POVERTY IN THE UNITED STATES, BY RACE/ETHNICITY, 1979 TO 1992

<table>
<thead>
<tr>
<th>Race/Ethnicity Group</th>
<th>Number (in thousands)</th>
<th>Percentage Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1979</td>
<td>1992</td>
</tr>
<tr>
<td>Latino families:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>All</td>
<td>614</td>
<td>1,395</td>
</tr>
<tr>
<td>Married-couple</td>
<td>298</td>
<td>680</td>
</tr>
<tr>
<td>Female-headed</td>
<td>300</td>
<td>604</td>
</tr>
<tr>
<td>African-American families:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>All</td>
<td>1,722</td>
<td>2,435</td>
</tr>
<tr>
<td>Married-couple</td>
<td>453</td>
<td>486</td>
</tr>
<tr>
<td>Female-headed</td>
<td>1,234</td>
<td>1,835</td>
</tr>
<tr>
<td>White families:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>All</td>
<td>3,581</td>
<td>5,160</td>
</tr>
<tr>
<td>Married-couple</td>
<td>2,099</td>
<td>2,631</td>
</tr>
<tr>
<td>Female-headed</td>
<td>1,350</td>
<td>2,202</td>
</tr>
</tbody>
</table>

Note: White includes white persons of any ethnicity.

declined by 24 percent (from 19.3 percent to 14.2 percent), and that of African-American children by 20 percent (from 53.1 percent to 42.2 percent), while the poverty rate of Latino children has declined only by 14 percent (Census Bureau 1993b).

Mexican Americans fared worse during the 1980s than any other Latino group; in 1989 their family poverty rate was 2 percentage points above the 1979 rate (see figure 3). The Mexican-American person poverty rate increased by 3 percentage points. In contrast, the poverty rate of Puerto Ricans declined by 3.8 percentage points, but still 29 percent of Puerto Rican families were poor in 1990. Estimates of poverty rates for 1992 show Mexican poverty increasing even further, and Puerto Ricans losing the ground they gained during the latter part of the 1980s.

Latino poverty is increasing even though Latinos are following the poverty-prevention measures suggested by policymakers. Latino poverty is growing in spite of no decline in the work effort of Latino men, the increased labor force participation of Latino women, an increased proportion of families with more than one wage earner, and the continued tendency of Latinos to live in extended families (see tables 1 and 4).

**Economic Hardship**

A poverty line measure does not reveal the full extent of economic hardship of Latinos. A look at the income distribution of Latinos reveals that 28
percent of all Latino families have incomes below the 20th percentile of the Latino income distribution (Barancik 1990). In addition, 11 percent of Latino families are in severe poverty, with incomes below 50 percent of the poverty line (see table 2).

Latinos are also concentrated in high cost-of-living areas, and the poverty line is not adjusted for cost-of-living differentials. Thus, while an annual income of $16,743 for a family of four may be enough to survive in the average U.S. city, it may be too little for high cost-of-living cities such as Los Angeles, Chicago, or New York.

Poverty rates can rise even with increases in family income. However, that is not the case for Latinos. Latinos lost real income between 1979 and 1989. In 1979, the real median family income (in 1990 dollars) of Latinos was $26,769, and dropped to $26,701 in 1989 (Census Bureau 1984, 1993b). Meanwhile, the average Latino household size rose from 3.5 to 3.6, draining their family income even further.

Another measure of economic hardship is the proportion of full-time workers who do not make enough money to raise a family of four (including two children) out of poverty (i.e., low-wage earners). In this measure, Latinos do worse than non-Latinos. An estimated 19 percent of Latino full-time, full-year workers were low-wage earners in 1979; by 1989 this
COMPARATIVE PROFILE OF LATINO AND NON-LATINO FAMILIES IN THE UNITED STATES, 1990

<table>
<thead>
<tr>
<th>Characteristic</th>
<th>Latino</th>
<th>Non-Latino</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean household size</td>
<td>4.6 persons</td>
<td>3.4 persons</td>
</tr>
<tr>
<td>Mean family size</td>
<td>3.9 persons</td>
<td>3.1 persons</td>
</tr>
<tr>
<td>Mean family income (1989)</td>
<td>$27,800</td>
<td>$32,300</td>
</tr>
<tr>
<td>Mean number of births to women</td>
<td>2.1 births</td>
<td>1.8 births</td>
</tr>
<tr>
<td>Percentage of households with children</td>
<td>58.1%</td>
<td>31.4%</td>
</tr>
<tr>
<td>Percentage of households with elderly</td>
<td>14.3%</td>
<td>22.6%</td>
</tr>
<tr>
<td>Percentage of households with subfamilies</td>
<td>6.9%</td>
<td>2.1%</td>
</tr>
<tr>
<td>Percentage of households speaking English only</td>
<td>16.1%</td>
<td>79.6%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Number of workers per household:</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage with 1 worker</td>
<td>31.6%</td>
<td>27.9%</td>
</tr>
<tr>
<td>Percentage with 2 workers</td>
<td>39.6%</td>
<td>45.7%</td>
</tr>
<tr>
<td>Percentage with 3 or more workers</td>
<td>17.4%</td>
<td>12.9%</td>
</tr>
</tbody>
</table>


Persistent Poverty

There is a paucity of research on poverty spells of Latinos. However, the reasons behind the low incomes of Latinos suggest persistent poverty.

Why Should Latino Poverty Be a Public Policy Concern?
Research on the overall population based upon the Panel Study of Income Dynamics has found that among nonelderly families, nearly two-thirds of poverty spells last less than two years and only 13 percent of poverty spells last seven or more years (see U.S. Congress, House Committee on Ways and Means 1992:1172-82; other references in Ooms 1992). However, of those currently poor, over 50 percent will be poor for more than nine years. African-American children experience longer durations of poverty than Anglo children; and 30 percent of African-American children will be poor for a prolonged period of time in comparison to 4 percent of Anglo children. McNeil et al. (1988), using data from the Survey of Income and Program Participation, found that 20 percent of Latinos were poor in both 1984 and 1985: 8 percent moved out of poverty during this period, but 80 percent of those who were poor in 1984 were again poor in 1985. Although this time period is too short to be definitive, this finding suggests persistency. Persistent poverty was also indicated in a 1994 study using neighborhood-level data (Enchautegui 1994b). In that study, 77 percent of the Latino census tracts that were in concentrated poverty in 1980 were still in concentrated poverty in 1990.

Another reason to suspect the persistence of Latino poverty is that the social mobility of Latinos is constrained by low levels of education and concentration in low-paying occupations. This lack of mobility outlets translates into persistent poverty. Because so many Latino poor are employed in low-paying occupations, their poverty is deeply rooted in the structure of wages provided by the labor market. In the last decade, the earnings of those at the lower end of the wage scale deteriorated, likely owing to the shift in labor demand toward higher-skilled labor in all types of industries (Acs and Danziger 1993; Bound and Johnson 1991). There is no indication that these trends will reverse in the near future.

If a shift in labor demand toward higher-skilled labor is behind the wage erosion at the lower end, Latinos have the most to lose. In 1990, 52 percent of the Latino population 25 years and older, and 35 percent of the population ages 16 to 24, did not have a high school diploma (U.S. Department of Education 1992). The low level of education of Mexican Americans, for instance, did not allow them to take advantage of the increasing pecuniary
returns of education of the last 15 years (Reimers 1994). These trends suggest that Latino families in poverty may find it more and more difficult to rise above the poverty line.

### Isolation from Social Safety Net

Latinos in poverty are often outside the system, working in environments that escape government regulation and without much contact with the social safety net. This situation poses challenges for traditional policy interventions.

The jobs Latinos do and the places Latinos work meet many of the conditions associated with informal labor markets (Fernández-Kelly, García and García 1989; Portes and Sassen-Koob 1987; Stepick 1989). Common examples of jobs performed by the Latino working poor are: work at home—from textiles to electronic assembly; factory work in small sweatshops without many of the fringe benefits of large manufacturing companies; agricultural work, exposed to health hazards; restaurant work, below minimum wage; domestic work, in the homes of the affluent; and off-and-on construction work. These informal labor markets tend to escape government regulations and labor laws (Portes and Sassen-Koob 1987; Stepick 1989) and open the way to declines in working conditions, not only for Latinos but for the overall U.S. working class.

In addition to the informality of Latinos’ working conditions, which makes it difficult for wage, hour, and safety regulations to improve the working situation of the poor, Latinos evade the traditional ways of helping the poor because they are unlikely to use the governmental safety net. Poor Latino married couples are less likely to take advantage of food stamps or means-tested cash assistance than white couples (Census Bureau 1993b) (see figure 5). Furthermore, poor Latino children under the age of six are less likely to receive food stamps and means-tested cash assistance than comparable white children (ibid.). Some immigrants are barred from program participation, which deflates the proportion of Latinos in public assistance programs. In addition, regulations about which services each type of immigrant can receive also result in underutilization of services by eligible immigrants and natives.

Whether or not the low program participation of Latinos is due to a high proportion of ineligibles or to underutilization of services by the eligible, the fact remains that a significant portion of Latinos are outside the safety net and that their situation is less amenable to traditional policies of poverty intervention.
FIGURE 5
PARTICIPATION OF LATINO POOR IN U.S. GOVERNMENT PROGRAMS

Percentage of Poor in Food Stamps, by Race/Ethnicity: 1992

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Married-couple families</th>
<th>Female-headed families</th>
<th>Children 0-5 yrs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage</td>
<td>43.9</td>
<td>45.7</td>
<td>64.5</td>
</tr>
</tbody>
</table>

Source: Census Bureau (1993b).

Percentage of Poor in Means-tested Cash Assistance, by Race/Ethnicity: 1992

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Married-couple families</th>
<th>Female-headed families</th>
<th>Children 0-5 yrs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage</td>
<td>21.3</td>
<td>26.3</td>
<td>50.2</td>
</tr>
</tbody>
</table>

Source: Census Bureau (1993b).

Social Cost of Neglect

The major reason society should care about Latino poverty is the long-term social cost of neglect. Poverty has social consequences for children, adults, and neighborhoods, many of which are transmitted across generations. These social consequences are beginning to be felt in poor Latino communities.

Participation of Latinos in recent urban uprisings in Los Angeles and Washington, D.C. reveals the detachment, helplessness, disenfranchisement, and neighborhood deterioration of poor Latino communities (Morrison and Lowry 1993). The profile of Puerto Rican neighborhoods coming from Census data reveals communities with high housing vacancy rates, stagnant population growth, and low asset accumulation in the form of homes and cars (Enchautegui 1994b).

When poverty is geographically concentrated, the social consequences are larger and more visible. Researchers have argued that concentrated poverty leads to a depletion of neighborhood resources that only exacerbates poor economic performance (Jencks and Mayer 1990; Wilson 1987). As more people are without work, there are fewer role models with whom youngsters can identify. There are also fewer job networks to connect new workers to the labor force. Schools deteriorate as the tax base erodes. Businesses close and housing construction declines. With no economic support from the community, community organizations dissolve. As a result, the poor are isolated from conduits and institutions that facilitate access to resources.

Between 1980 and 1990, an increasing percentage of Latino census tracts became concentrated-poverty tracts, in which 40 percent or more of the families are poor. In 1990, 21 percent of the Latino tracts were concentrated-poverty tracts; 15 percent of these same tracts were in concentrated poverty in 1980 (Enchautegui 1994b). Eight percent of the Latino population lived...
in areas of concentrated poverty in 1980; by 1990, 10.35 percent lived in such areas (Mincy and Wiener 1993).

The social consequences of poverty fall heavily on poor children. Despite little research on the consequences of growing up poor for Latino children, one can speculate, based on findings for the overall population, that the high poverty rates of Latino children will have long-lasting negative consequences (see e.g., references in Corcoran, forthcoming). Since most poor Latino children grow up in working-parent families, the question of whether the effects of growing up poor are as negative for children of working parents as for those of nonworking parents is also of interest.

Research indicates that the children of working poor parents show similar levels of health and behavioral problems, as well as learning disabilities, as children growing up in families receiving Aid to Families with Dependent Children (AFDC) (Ooms 1992 and references therein). In addition, Gottschalk and Danziger (1984) found that parents' participation in AFDC has a positive effect on daughters' participation for Anglos and African Americans but not for Latinos. However, declines in labor earnings of parents and parents' AFDC participation have similar effects on daughters' participation in AFDC. Thus, growing up in a working poor family also has consequences for children's AFDC participation.

Children's poverty takes on an additional dimension for Latino families because children are an important link in families' long-term economic progress. For immigrants, the economic progress of their children is connected with the dream of "making it" in U.S. society. Immigrant parents' desires to incorporate their children into mainstream U.S. society, and to sacrifice their well-being for the well-being of their children, may offset some of the negative consequences of growing up poor. But this can only go so far, as the objective means to achieve this dream become more scarce.

Why a Lack of Attention to Latino Poverty in Public Policy?

There is a perception among Latino advocates that Latino issues do not command the attention they deserve in public policy. Although it is difficult to identify the reasons for this lack of concern, it may be related to the ideological debates taking place in the country and to the objective conditions of the Latino poor.
Three-quarters of all persons of Latino origin live in only five states: California, Texas, Florida, New York, and Illinois (see figure 6). In contrast, one-third of all non-Latinos live in these states. Owing to this geographical concentration, Latino issues are often thought of as the concern of a few states or regions, and policies affecting them are often elaborated in state legislatures, as opposed to national debates or the national press. When Latino issues do receive national attention, the focus is on issues that are expected to be of national interest, such as immigration policy, with little emphasis on other issues relevant to Latinos such as the relationship of shifting labor demand to their deepening levels of poverty.

![Geographical Concentration Plates FocLis blirStites](image)

**FIGURE 6**

**GEOGRAPHIC DISTRIBUTION OF LATINO POPULATION IN THE UNITED STATES**

Source: U.S. Bureau of the Census, 1990, 1/100 Public Use Microdata Sample.

Immigration and Sense of Not Belonging

Another reason for the lack of attention to the plight of Latinos is that Latinos are too often thought of as immigrants, and U.S. society increasingly does not wish to dedicate resources to immigrants. The perception that Latinos are immigrants exists despite the fact that 64 percent of Latinos are U.S. natives. Immigrant poverty is perceived by policymakers as temporary, a period of
adjustment while the immigrant becomes incorporated into the economic institutions of the United States.

Due to the large proportion of immigrants, Latinos have been caught in an ideological debate about the social contract between immigrants and U.S. society and its institutions. Substantial resources are spent in policy efforts related to Latinos and immigration, which tends to overshadow the identity of the majority of Latinos as U.S. natives. For instance, welfare reform examines the participation of immigrants in welfare; the North American Free Trade Agreement (NAFTA) examines immigration flows from Mexico; and health care reform considers whether illegal immigrants should be allowed to participate. Since the typical Latino is viewed by policymakers as an immigrant, policy debates pay little attention to the plight of Latinos as U.S. citizens, whether native- or foreign-born.

**Strength and Weakness in Heterogeneity**

The scholarly and policy agendas have stressed the differences between Latino subgroups (see figure 7). Also, national Latino advocacy groups are usually aligned along Latino ethnic lines. Differences among Latino subgroups are so large, according to some researchers and advocates, that it does not even make sense to talk about "Latinos." much less commonalities in the poverty experience of Latino subgroups in the United States (Aponte 1991). Because different groups have understandably pursued different agendas, there is no common national front to address issues of Latino poverty.

Inter-ethnic diversity among Latinos can be traced to their varied modes of incorporation into U.S. society and the labor market. Latinos comprise of political immigrants, economic immigrants, colonized immigrants, or descendants thereof. These differences are important in understanding the initial placement of these groups in the U.S. economy, and their different trajectories of progress. But they do not necessarily preclude common themes in the poverty experiences of the various Latino subgroup.
Low Electoral Participation

In a democracy, citizens voice concerns through the electoral process. Concerns of Latinos are infrequently heard, however, owing to their minimal participation in this process.

At the time of the November 1992 elections, only 35 percent of all Latinos age 18 years or over were registered voters, compared to 70 percent of whites and 64 percent of African Americans (see figure 8). Of those who were registered in 1992, only 82 percent of Latinos actually voted, compared with 91 percent of whites and 85 percent of African Americans who went to the polls (Census Bureau 1993c).

**FIGURE 8**

LATINO ELECTORAL PARTICIPATION IN THE UNITED STATES, NOVEMBER 1992

<table>
<thead>
<tr>
<th>Percentage</th>
<th>100</th>
</tr>
</thead>
<tbody>
<tr>
<td>Registered</td>
<td>63.9</td>
</tr>
<tr>
<td>Registered citizens</td>
<td>59.2</td>
</tr>
<tr>
<td>Registered who voted</td>
<td>81.6</td>
</tr>
</tbody>
</table>

The source of the data is the U.S. Bureau of the Census (1993d).

There are a number of explanations for poor Latino voter turnout: poor English-language skills and resulting lack of information about elections (Chavez 1991); high levels of trust in elected officials and, hence, complacency with regard to voting (de la Garza et al. 1994); concerns with political events in their home countries; and, most prominently, the large share of noncitizen Latinos in the United States. In November 1992, over 40 percent of Latino adults were noncitizens, and were therefore ineligible to vote. Although each racial/ethnic group contains noncitizens, one finds that even when controlling for citizen-only voter registration, Latinos are still under-
represented at the polls. Despite the low participation of Latinos in the electoral process, Latino representation in all levels of government has grown substantially (Pachon and DeSipio 1992). As of 1992, there were 18 Latinos in the U.S. House of Representatives, compared to only 10 in 1990. Moreover, state and local governments contain increasing numbers of Latino elected officials (National Association of Latino Elected Officials, 1994, telephone inquiry by author). The growing representation of Latinos in the U.S. Congress can be attributed, in part, to district rezoning, which increases minority representation in the House of Representatives. However, the large number of noncitizens in Latino-majority districts continues to generate controversy, particularly with regard to the validity of population counts in apportioning congressional representation.

Low participation of Latinos in the electoral process translates into lack of influence when issues relevant to the Latino community are addressed. Increased Latino voter registration and turnout could result in greater attention paid to Latino concerns by elected officials, whether Latino or not. Furthermore, a recognizable Latino voting “bloc” could affect the policy decisions of government officials, causing them to consider more carefully the ramifications of their political actions on their constituents.

Lack of Attention to the Working Poor

Research on poverty during the 1980s increasingly differentiated between the working poor and the nonworking poor (Katz 1989; Rickets and Sawhill 1988). In the eyes of politicians and laymen, this division translated into the “deserving” and the “undeserving” poor. Though these terms are clearly subjective, people showed little confusion about who belonged in each category. The “deserving” poor comprised full-time workers who were poor, unemployed workers who got up every morning and looked for a job, the disabled, and the elderly. The categorization of single mothers with small children was more controversial, but by the end of the 1980s, this group, for the most part, was excluded from the “deserving” poor. Single, able-bodied males who dropped out of the labor force (for whatever reason) remained labeled as the undeserving poor.

Ironically, in this polarization of the poor the deserving poor (the category into which many Latinos—the working poor—fall) did not receive much attention. The focus in research and policy discussions was on the “underclass,” the “undeserving poor,” or the nonworking poor, and how to get them back to work and meeting their social responsibilities. By the end of the 1980s, the consensus of both liberal and conservative politicians and scholars was that although one cannot fully blame the victims, one cannot let them off the hook either. The policy solution became a combination of the carrot and the stick.
Where were the Latino poor left in this controversy? As the dichotomy between the working and nonworking poor grew in policymaking discussions, and as the attention to the “underclass” increased, Latinos were left behind—the victims of political ideology that dictated the terms of poverty debates during the 1980s.

On the policy agenda, Latino poverty demonstrates that traditional and popular explanations of poverty can be challenged... On the scholarly agenda, Latino poverty stresses the unavailability of a structure of opportunity to generate a decent standard of living for a significant segment of the population. Where does Latino poverty research fit into this debate? Various scholars have questioned whether the underclass framework fits Latinos (see e.g., Meléndez 1992; Moore 1989). Controversy emerged around which Latino subgroup populations can be considered members of the underclass (see e.g., Aponte 1991; Meléndez 1992; Moore 1989; Tienda 1989). This controversy was to some extent distracting since much effort was dedicated to portraying Latinos as the “good poor,” rather than to redirecting the poverty dialogue by examining the underlying themes of Latino poverty.

Latino poverty brings new elements to poverty research and policy debates, and underscores the need to return dialogue to the common structural and institutional causes of poverty. On the policy agenda, Latino poverty demonstrates that traditional and popular explanations of poverty can be challenged, and that new policies need to be devised to address the plight of a large number of poor families.

On the scholarly agenda, Latino poverty stresses the unavailability of a structure of opportunity to generate a decent standard of living for a significant segment of the population. It is not that the “low-wage Mexican-American worker” is different from the “hanging-out-on-the-corner Puerto Rican.” Inter-ethnic differences in labor force participation, welfare use, and female headship simply reveal different faces of the same poverty problem.

Delining a Latino Policy Agenda

The previous two sections emphasized the need to increase attention to Latino issues in the public policy agenda. One must evaluate whether a “Latino policy agenda” is feasible and desirable, or whether Latino issues should be considered within a broad national or state policy agenda. Because of the heterogeneity of the Latino community, one may
prefer to speak of agendas of Latino issues. I refer to a Latino policy agenda as one that represents the concerns of U.S. Latinos and incorporates Latinos into the decision-making process, even if done within the national agenda.

The complexity of the Latino population makes a Latino poverty policy agenda difficult to conceive. Crafting this policy agenda is further impeded by the coexistence of ethnic/racial research with raceless policies. Delineating a Latino poverty policy agenda includes going beyond immigration and language policies, devising ways to incorporate race-specific knowledge into raceless policies, creating bridges between scholarly work and policy prescriptions, and finding the themes that unify the Latino population.

Immigration and Language

Some policies are de facto Latino because their effect falls disproportionately on Latino populations. Two policy domains deserve mention: immigration and language. Latino advocates have been so vocal on these two fronts that the entirety of Latino policy discussion is frequently reduced to these two areas.

Because 36 percent of all Latinos were born outside the United States or its territories, immigration policy—which deals with entrance to the United States, legal access to jobs, and family reunification—has important repercussions on the socioeconomic profile of U.S. Latinos, on their economic well-being, and on their family composition. The concern with immigration trickles down to the community level. Many Latino community-based organizations are directed toward immigrant services such as immigrant rights and the legal aspects of immigration.

At the center of the immigration controversy are undocumented aliens. Some policymakers are calling for a crackdown on undocumented aliens (not on undocumented immigration), ranging from fines to exclusion from public services. At issue is whether the tax monies of natives and legal immigrants should subsidize the use of government services by illegal immigrants. There are reasons to be concerned about these actions. A crackdown on undocumented aliens will disproportionately penalize the individuals who immigrate, while obviating the accomplice behavior of employers who are willing to hire them. Policies directed at undocumented aliens can also have unintended effects on foreign-appearing Latinos who are in this country legally. Finally, a crackdown on undocumented aliens can decrease the opportunities of the children of these individuals, who are citizens and entitled to full benefits of the states.

The Latino policy agenda on immigration can best be summarized by Harry Pachon’s statement at the October 1993 conference on “U.S.-Mexican...
Developing a Latino policy agenda will necessarily require attention to issues that are germane to a population whose present and future are in the United States. This agenda must go beyond immigration and language policies.

Language policies relate to the need to protect Latinos' right to participate in U.S. society while recognizing Latinos as a distinct group that speaks another language (Sandefur 1988). The arenas for language rights are public spaces where the language of the majority can be used to preserve dominance and exclusion. Therefore, Latinos have fought for language rights on several fronts: in schools, by demanding alternative or enhanced instruction to children whose first (or only) language is not English; in courts, by demanding interpreters; and, in the electoral process, by demanding bilingual ballots. It must be noted, however, that language policies also affect native Latinos because many Latino children grow up in homes where English is not spoken.

The dominance of language and immigration in public discussions of Latino issues reveals that the Latino policy agenda is currently rooted in, and determined to a great extent by, the experience of Latinos as an immigrant population. Developing a Latino policy agenda will necessarily require attention to issues that are germane to a population whose present and future are in the United States. This agenda must go beyond immigration and language policies.

Ethnic-Specific versus Universal Policies

A dilemma confronting issues of Latino poverty is that of whether to “cure” problems that are ethnic-specific (or overwhelmingly ethnic) by targeting programs and policies to that particular ethnic group or by using universal policies.

Contrary to past practice, and as a way to gain support from the mainstream, federal and state governments have moved away from ethnic-specific policies by using nonracial solutions to tackle problems whose origins may be racial (Sandefur 1988; Wilson 1987). Sandefur (1988) cited the success of the Indian Health Services, a program targeted at American
Indians, and credited it with reducing infant mortality in American Indian children. However, to reduce the infant mortality rate of African-American children, he proposes non-race-specific programs, such as targeting the inner-city poor rather than targeting African Americans. Wilson (1987) has argued that race-specific targeting could coexist with universal programs, but that the universal programs should be the dominant component. He has further suggested that as universal programs gain support from the general public, the targeted program would be indirectly supported. Scholars advocating universal policies do not deny that the origin of the inequalities addressed is racial. Rather, they argue that race-specific policies, beyond being unpopular, are insufficient to address the fundamental problems of the minority poor.

Since a scholarly research agenda has clearly been delineated around race/ethnicity, a raceless policy agenda seems difficult to accomplish. Thus, the challenge becomes one of incorporating Latino-specific information into raceless policies. Ethnic-specific patterns of poverty, joblessness, and educational and occupational profiles exist and can be partially explained by the historical relationship between majority and minority groups. Tienda (1990) has pointed out that although race-specific policies are not recommended, incorporation of ethnic-specific knowledge can enhance policy outcomes.

Experiments in policy reform are conducted without incorporating knowledge about the experience or behavior of minority populations, even when this knowledge could enhance policy outcomes and even when minorities are the most affected by these policies. Examples of Latino-specific patterns that should be incorporated into a policy agenda include: half of all young Latino men spend about half of a 10-year period in low-wage employment or out of work (Gritz and McCurdy 1992); Latino women show concern for child care outside the home more than non-Latino women (Cruz 1991; National Council of La Raza 1990); Mexican and Puerto Rican female heads of households are more sensitive to wage changes than Anglo female heads (Enchautegui 1994a); English-language training combined with skill training is more successful for Latinos than education-only programs (Uriarte 1992); a high proportion of Puerto Rican women on welfare have no recent labor market experience (Enchautegui 1992); the economic standing of Puerto Ricans is very sensitive to regional trends (Cooney 1976; Enchautegui 1993); residential segregation increases Latino poverty (Santiago and Wilder 1990); and job discrimination continues to be a problem for Latinos (Fix and Struyk 1993).

One shortcoming of pursuing a Latino agenda within universal policies is the risk that such an agenda will not be drafted by Latinos, but rather will be handed to them.
be handed to them. In few areas (other than language) does the Latino policy agenda represent the concerns of Latinos as defined by Latinos.

**Identifying Themes of Latino Policy Agenda**

Developing a policy agenda around Latino issues requires identifying themes that unify the Latino population and prioritizing those themes. This is a difficult task, requiring coordination and networking among hundreds of organizations, individuals, and entities that currently work separately.

When considering alternatives for Latino policy implementation, one must ask if an agenda can be crafted around “poverty.” Is “poverty” a functional concept? Do researchers and the community speak the same language? In a study of Los Angeles community organizations, Jackson (forthcoming) notes that poverty is not an operational concept (i.e., it is not a socially galvanizing issue). Similarly, Heclo (1986) has argued that “the main political problem with antipoverty policy is that it is antipoverty policy . . . because Americans do not endorse a publicly guaranteed right to income as such.”

To be manageable at the local level, a poverty agenda must incorporate a working knowledge of what poverty means for poor people. At the national level, this requires identifying the policy domains in which poverty can best be addressed. One way to identify these domains is “from the bottom up,” an approach whereby individuals likely to be affected actually participate in delineating the agenda. A survey in Latino communities in Los Angeles by the Tomás Rivera Center (1990) subscribed to the bottom-up design by asking Latinos what issues concerned them. The themes identified by respondents as important were political participation, education, economic development, and leadership development. These findings demonstrate the Latino community’s concern for broad issues requiring comprehensive funding efforts as well as Latinos’ interest in pursuing a proactive agenda and in creating community wherewithal. An added benefit is that these issues, although crafted at the local level, have implications for society at large.

**Routes for Policy Action**

The previous section discussed concepts to consider in formulating a Latino policy agenda. The next step is to identify routes by which that agenda can be realized.
There are some promising routes for policy action, including family-centered policies and the momentum toward state-designed policies. Latinos can also benefit from the increased interest in neighborhoods as units of policy intervention. In the long term, gains in education and macroeconomic policies that can guarantee a decent standard of living for less-skilled workers are necessary to improve the economic status of Latinos.

Family-Centered Policies

Latinos are often characterized as family-oriented, or "familistic," with great involvement of family members in decisions and transactions, and families frequently including nonnuclear members (Angel and Tienda 1982; Tienda and Glass 1985). In 1990, 15 percent of Mexican Americans, 14 percent of Puerto Ricans, and 27 percent of "other Latino" female-headed households contained at least one adult relative (Enchautegui 1994a; Tienda and Glass 1985). Researchers have debated whether this is a culturally or economically driven phenomenon (Angel and Tienda 1982). However, ethnographic studies comparing poor white non-Latino families with poor Mexican-American families also show the high degree of family intervention in day-to-day dealings of Mexican Americans.

The individual-based policies of social welfare and income redistribution seem at odds with the familistic views of Latinos. Social policy tends to focus on individuals with specific problems and needs, without considering their family context (Consortium of Family Organizations [henceforth, COFO] 1990):

- Forcing a welfare mother to work after two years of receiving aid without evaluating her family situation;
- Emphasizing the financial role of low-income absent fathers in child support policy without examining how families could be brought together;

- Excluding illegal immigrants from services without considering the repercussions on their children.

With the decline of the family as a major issue in U.S. society, policies that reward the close family ties of Latinos should have appeal. Such policies recognize families as the basic social institution, as essential partners in the provision of education, health care, and social services (COFO 1990). Examples of such policies are AFDC-UP, which provides benefits when there is an unemployed parent, parental involvement in the education of low-income children (Pérez 1991), intergenerational living arrangements, family leave, family relocation assistance, and child care subsidies for low-income parents that recognize the involvement of relatives. Immigration policy has also come a long way toward recognizing the importance of the family. The 1965 Amendments to the 1952 Immigration Act recognized the importance of the family in immigrants' adaptation, and family members...
The gap between Latino community organizations and policymakers may be more effectively narrowed at the state level.

Increased Role of States in Policy Design

One window of opportunity for addressing Latino poverty issues in public policy involves the movement from federally crafted policies toward state-crafted policies. As mentioned earlier, Latinos are heavily concentrated in five states, and their presence in these states cannot be ignored. Focusing on the state level may allow for greater participation by Latinos in fashioning policies that affect them. The gap between Latino community organizations and policymakers may be more effectively narrowed at the state level.

Neighborhoods as Relevant Units for Policy Intervention

In 1990, 36 percent of all U.S. Latinos and 46 percent of all Latinos in poverty lived in census tracts that were 50 percent or more Latino (Enchautegui 1994b). In that year, 1,981 tracts were 50 percent or more Latino, and 670 of these tracts were non-Latino in 1980 (ibid.). These figures reveal the importance of Latino neighborhoods in addressing the policy issues of Latino poverty. The vitality of neighborhoods, including social, business, and community organizations, contributes to the social and economic development of residents, and especially children. The typical middle-class nuclear family has access to multiple resources outside the household that contribute to children’s development. These resources usually revolve around the neighborhood (see Keniston and Carnegie Council on Children 1977), but are not available in poor areas.

Different aspects of neighborhood formation, such as empowerment zones, enterprise zones, and low-income housing, have recently been discussed as targets for policy interventions. One advantage of neighborhood-level policies is the community’s participation in the implementation, if not design, of policies.

Latino neighborhoods, the point of entry for hundreds of thousands of Latino immigrants, are an important stepping stone in the process of Latino incorporation into the United States (Moore 1989). Immigrants bring new dynamics to the neighborhoods, and immigrants are more likely than natives to be self-employed. Any effort to maintain or increase the economic viability of Latino neighborhoods should pay attention to immigrants as a source for economic strength.
Most Latino neighborhoods are in the central cities of metropolitan areas. However, central cities have suffered from a flight to the suburbs of jobs, people, and services. Job growth in the suburbs has long surpassed that in the central cities. Poor minorities continue, however, to be concentrated in the central cities. This introduces a whole new set of issues regarding neighborhood organizations and services, as poor minority neighborhoods in the central city are economically dependent on the jobs and services outside their communities.

Growth in the suburbs does not necessarily translate into economic opportunity for Latinos or other minorities in central cities. There may be a mismatch between skills demanded in the suburbs and those of central-city minorities; central-city residents in poverty may not have the networks to connect them to job opportunities in the suburbs; suburban jobs may be difficult to access by public transportation; and the suburbs may be more discriminatory toward minorities than the central cities. The result has been increased inequality between central-city minorities and the suburbs, further isolation of the disadvantaged, and, possibly, ethnic conflict in the metropolitan area. A reasonable neighborhood agenda is to establish a systematic link between the labor demand in the suburbs and the labor supply of poor minority neighborhoods. Neighborhood networking with suburban employers is crucial to achieve this goal.

In 1990, 36 percent of all U.S. Latinos and 46 percent of all Latinos in poverty lived in census tracts that were 50 percent or more Latino. Most Latino neighborhoods are in the central cities of metropolitan areas. A reasonable neighborhood agenda is to establish a systematic link between the labor demand in the suburbs and the labor supply of poor minority neighborhoods. Neighborhood networking with suburban employers is crucial to achieve this goal.

A recent pattern important for Latino neighborhood policy is the growth in multi-ethnic Latino neighborhoods. In 1990, 35 percent of all Latino neighborhoods were mixed—no single ethnic group (Mexicans, Cubans, Puerto Ricans, or Central Americans) accounted for 50 percent or more of the population (Enchautegui 1994b)—up 6 percentage points from 1980. This is a challenge for community organizations that have tended to focus on a single ethnic group in providing services, and for community leaders that are often representative of a single ethnic group.

**Education**

The educational achievement of Latinos is well below that of the overall population. Immigrants have lower levels of education than natives, but still a substantial proportion of Latino natives are high school dropouts. In 1990, 52 percent of the Latino population over age 25, and 35 percent of
those ages 16 to 24, did not have a high school diploma (U.S. Department of Education 1992). The event dropout rate—the percentage of students who dropped out of school in the last 12 months—is higher for Latinos than for other groups. In 1991, the event dropout rate for grades 10 to 12 and ages 15 to 24 was 7.3 percent for Latinos, compared to 6 percent for African Americans and 3.2 percent for Anglos (ibid.). When a cohort of students is followed from 8th to 10th grade, Latinos also exhibit high dropout rates. The cohort dropout rate is 9.6 percent for Latinos, 10.2 percent for African Americans, and 5.2 percent for Anglos (ibid.).

Although Latinos have made gains in college admission during the last few years, a lower proportion of Latino high school graduates attend college than Anglo high school graduates (see figure 9). In 1990, only 7.5 percent of the Latino population over age 25 had at least a college degree. Of the students that finished high school in 1992, 67 percent of whites, versus 55 percent of Latinos, went on to college (Census Bureau 1993d). Latinos also have a higher college dropout rate than non-Latinos.

Another facet of Latino education relevant to public policy considerations is the large percentage of Latino children who do not speak English fluently. According to the 1990 Census of Population and Housing, of all Latinos ages 6 to 17, over 20 percent spoke English less than “very well.” This includes Latino natives as well as Latino immigrants.

The educational profiles of Latinos suggest that at least three broad policy areas merit intervention:

- The first area is the level of education completed. Much educational policy affecting minority students deals with the problem of high school dropout rates. Though this is worthy, attention also needs to be paid to the problem of low college entrance among minority students. Recently, there has been interest in school-to-work programs for non-college-bound students. Although these programs may increase the options of high school students, minority communities must be alert to programs that prepare minority youth for quick employment after high school graduation without addressing the issue of college education, since such programs can perpetuate ethnic inequality.

A second area in educational policy relevant for Latinos is that of the quality of education. A high proportion of Latino children—as well as African-American children—attend low-quality schools. Upon finishing high school, minority youths cannot compete effectively with nonminority youths because they lack the skills necessary to obtain technical and midlevel white-collar jobs. A low quality of education also impinges on the ability of minority students to get into college. Minority children have been victims
of what Jencks (1992) has called “a revolution of declining expectations,” whereby policy has focused on reducing the gap, but not on closing it. A balanced educational policy should address not only the needs for high school graduation and college entrance, but also the quality of education for minority students.

The third area of intervention related to educational policy of Latinos is that of bilingual education. Some politicians and analysts are opposed to bilingual education because it represents a “major diversion from the path of assimilation” (Chavez 1991). Liberal Latino advocates, on the other hand, fervently support bilingual education. There is controversy regarding the benefits of bilingual educational for children. Several evaluation studies have found that bilingual education programs are ineffective in meeting their goals (American Research Institute [in Chavez 1991]; Baker and deKanter 1983; Research Triangle Institute 1989). However, a National Research Council (1992:105) review of two major evaluation studies of bilingual education concluded that these two studies support the theory of underlying native-language instruction in bilingual education. Bilingual education was also supported by a panel of experts appointed by Congress. These experts concluded that there is evidence for the legal requirement that native language be used to the extent necessary to meet two goals: learning English and keeping up with schoolwork in all subjects (Mulhauser 1990).
Nevertheless, the merit of bilingual education in reducing high school dropout rates and absenteeism and improving performance is still contested. More evaluation studies are needed to fully understand the benefits accruing to students from bilingual education.

In addition to the language disadvantage, limited-English-proficiency (LEP) children face other disadvantages—often related to living in poverty. These disadvantages are not addressed because schools tend to focus only on language. Fix and Zimmermann (1993) have suggested that funds from Chapter 1 be used to serve the LEP population. Chapter 1 provides support for supplemental compensatory education to children who are from low-income families, live in concentrated poverty, and are doing poorly in school. Although LEP children have characteristics similar to disadvantaged children, they are underrepresented in Chapter 1-supported programs.

**Macroeconomic Policy**

The role of macroeconomic structural changes on Latino poverty should be examined. Harrington (1984) has argued that poverty in the United States is the result of massive economic transformations, which must be understood in order to grasp the causes of poverty.

Research has found that structural changes in the U.S. economy have been detrimental to the economic progress of the Latino poor (Galster and Mincy 1993; Eggers and Massey 1991; Santiago and Wilder 1990). But negative effects of restructuring and technological change on economic prospects are not unique to Latinos. African-American and Anglo less-skilled workers have also suffered from this restructuring. Not only are less-skilled workers making less money, but there is less demand for their skills. As a consequence, less-skilled workers suffer high levels of unemployment.

Although structural trends in the national and regional economies seem responsible for increasing poverty rates, policy prescriptions for solving poverty rarely focus on economic transformations. Instead, anti-poverty policies emphasize individual-level or supply-side solutions such as training, taxes, and personal responsibility; employer behavior is seldom the basis for policy prescriptions.

Secular trends in the economy toward persistent productivity growth are "a powerful tool for raising the incomes of the poor" (Ellwood and Summers 1986). This would include restoring productivity growth to the levels of the 1960s. But as Ellwood and Summers posit, we do not know how to restore productivity growth. The United States does have experience, however, with countercyclical policy. Hence, in macropolicy areas, attention should also be paid to cyclical changes or variations around the secular trend in the economy. For example, reducing unemployment is critical to reducing poverty. A one-point increase in the prime-age male unemployment rate—an
indicator of aggregate labor demand conditions—is estimated to increase poverty by seven-tenths of a percentage point (Blank and Blinder 1986). In a growing economy, the poor advance by means of procyclical movements in labor income, such as increases in real wages, increases in hours worked, and increases in labor force participation (ibid.).

Whether or not reducing cyclical fluctuations or restoring secular economic growth is enough to reduce poverty levels depends upon trends in income distribution and national transfer policies. Poverty will not decrease if gains in mean income are accompanied by increased inequality (Gottschalk and Danziger 1984). Because people have not benefited equally from recent economic growth, increases in transfers may be necessary to offset increases in poverty (ibid.). Transfers are less effective in elevating Latinos out of poverty than for other populations. In 1987, 1 in every 10 families, but less than 1 in every 14 Latino families, was lifted out of poverty through transfers (Barancik 1990).

With so much political contempt for transfers to low-income families, there is need to look for alternative policies to alleviate the situation of the Latino poor. Until now, some Latinos have succeeded in securing low-paying jobs. But with the decline in demand for less-skilled labor, it is uncertain how much longer this can be maintained. Policies addressing creation of low-skilled jobs and steady employment can have important effects on Latino poverty. Because so many Latino poor work, guaranteeing a decent wage for low-skilled labor, possibly by means of minimum-wage policies at the federal or state level, may be necessary.

**What Is to Be Done?**

What Is to Be Done?
Latino issues should be systematically incorporated into public policy through a working agenda that includes researchers and Latino advocates. Public policy research on Latino issues should be rewarded, promoted, and disseminated. Innovative programs in Latino communities should be publicized and replicated. Networking between Latino research centers and Latinos interested in influencing policy should be facilitated.

Creating a Working Group on Latino Policy Issues

One way to breathe life into Latino policy issues is through creation of a working group of national and community Latino leaders, policymakers, and scholars. This working group could issue statements and findings on policy-relevant Latino issues for distribution among policymakers and state legislatures. The working group could act as a bridge between policy-relevant academic results and policy prescriptions.

Disseminating Policy-Relevant Research

Policy-relevant research on Latinos must be encouraged, rewarded, and disseminated. Periodic conferences should be convened to present research results on Latino policy issues. Unfortunately, conducting policy-relevant Latino research is costly. Therefore, funding institutions with an interest or involvement in Latino issues must be identified and approached to request support for Latino research. The potential of nonacademic institutions to conduct policy-relevant, up-to-date research on Latinos must be publicized.

Connecting Community Organizations, Policy Advocates, and Researchers

The lion’s share of poverty-related problem resolution and new policy implementation rests with community organizations. Although these organizations are dealing creatively with the problems of Latino communities, there is little comprehensive information about them. We need systematic data from these groups pertaining to their programs’ successes and failures. At the same time, Latino research centers are unconnected to each other. Research work is often replicated, and research results are not well-known. A forum on Latino poverty and public policy would highlight the importance of coordinating the work of researchers, community workers, and policymakers. Such a forum should contain two sections: research results on Latino public policy issues, and community actions to relieve Latino poverty.

Steps should also be taken to increase the networks of Latino research and advocacy centers such as Mauricio Gaston Institute (University of
Massachusetts), National Council of La Raza, Congressional Hispanic Institute, Hispanic Policy Development Project, Tomás Rivera Center (Claremont College), Julián Zamora Research Institute (Michigan State University), Centro de Estudios Puertorriqueños (Hunter College), Puerto Rican Research Institute, and others. This networking could center around specific Latino policy issues or proposals, or could investigate politically controversial ideas relevant to Latinos.

Maintaining a Pipeline of Researchers Interested in Latino Issues

A pipeline of Latinos interested in public policy is necessary to give continuity to the effort of increasing the visibility of Latino issues in public policy. This can be done by promoting internships for minority students in research and policy institutes and Latino research centers. Collaboration between scholars, researchers, and advocates can be fostered by promoting visiting exchanges. Finally, the number of Latino students in public policy schools should be increased.

Taking Advantage of Existing Structures

Any effort to define a public policy agenda on Latinos that encompasses action and research must take advantage of existing structures to facilitate this exchange. The Social Science Research Council has been instrumental in sponsoring Latino research and creating a critical mass of scholars interested in Latino issues. The council sponsors the Inter-University Research Program, Summer Workshops for Latino Graduate Students, and the Committee for Research on the Urban Underclass. The Hispanic Caucus Institute sponsors internships in public policy for undergraduate students. There are also organizations, mainly divided along ethnic lines, that connect researchers, advocates, and policymakers through newsletters and communications. Action to bring prominence to Latino policy issues should draw upon such ongoing efforts.

Notes

1. Other scholarly and statistical accounts include: Borjas and Tienda (1985); Chavez (1991); Meléndez, Rodríguez, and Barry-Figueroa (1991); Moore (1989, 1991); Rodríguez (1989); and Skerry (1993).


3. The term “Anglo” refers to white, non-Latino individuals; the term “white” may include persons of any ethnicity. Latinos of white race are included among whites. In the Current Population Surveys, over 90 percent of all Latinos identify themselves as white.
4. Examples of how to incorporate Latino issues into national policies can be found in National Council of La Raza 1989, 1990, and 1993.

REFERENCES


Census Bureau, see U.S. Department of Commerce, Bureau of the Census.


COFO, see Consortium of Family Organizations.


References


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ABOUT THE AUTHOR

María E. Enchautegui is a labor economist and senior research associate at the Urban Institute. Enchautegui conducts research on Hispanic poverty, ethnic labor markets, and the economic impact of migration. She has authored various papers on Puerto Rican poverty, the labor supply of Latino women, and the causes of growth in Latino poverty. In the area of migration, she has studied the wage and employment impacts of immigrants on native workers and the economic consequences of return migration and internal migration. Her research has been published in *Economic Development and Cultural Change, International Migration Review, Eastern Economic Journal*, and by the Urban Institute Press.