

Understanding the Jewish Near Poor

An Analysis of the Population and How the Jewish Community Can Serve Them

William Rapfogel, Ilene S. Marcus, and Esther Larson

Metropolitan Council on Jewish Poverty, New York

It is estimated that 15 percent of the Jewish community lives at or near the federal poverty level. The near-poor are not poor enough to receive federal assistance but do not have the means to make ends meet. Core services for the near-poor provided by the Metropolitan Council on Jewish Poverty include crisis intervention, kosher food provision, affordable housing, access to health care, vocational services, home care, and home repair.

Poor Jews are all but invisible, but their numbers are staggering. Across the nation 737,000 poor Jewish people struggle every day. In the New York metropolitan area alone, over 348,000 Jewish people are below or slightly above the federal poverty level. Every day the Jewish poor and near poor are faced with the impossible choice between paying rent or their pharmacy bills, between buying food or paying for health care or other living necessities. For those living any degree of an observant Jewish life who require kosher food, synagogue membership, and Jewish education, the choices are even more difficult.

Though the problem of poverty is hard to grasp, the people who live under the federal poverty guideline have been well studied in both the secular and non-secular community. It is the plight of the near-poor, those who exist just above that federal standard, that is less studied and known.

To understand better this under-researched segment of the Jewish community, this article examines three main areas: the composition of the Jewish near-poor population and the reasons for this classification, public

policy strategies to benefit this population, and how the Jewish community at large is helping advocate and provide for this population's immediate and long-term needs.

THE JEWISH NEAR POOR: COMPOSITION AND CLASSIFICATION

Jewish poverty has long been ignored, in part because of the pervasive social stigma and in part because of the strong community ethic of taking care of each other. The near-poor Jewish population struggles with the same lack of recognition.

As the term suggests, the near-poor are not considered poor under the official federal poverty guidelines because they hover above the poverty line, which for a family of our is a combined household income below \$20,000 a year and for an individual is only \$9,800 annually (see Table 1). The incomes of near-poor households are too high to qualify for most government assistance programs, but too low to cover even modest living expenses. Though there is no formal definition for the near-poor, traditionally this category includes families and individu-

Table 1. Federal poverty guidelines, 2006.

Size of Family	100% of the Federal Poverty Level Annual Income	125% of the Federal Poverty Level Annual Income	200% of the Federal Poverty Level Annual Income
1	\$9,800	\$12,250	\$19,600
2	\$13,200	\$16,500	\$26,400
3	\$16,600	\$20,750	\$33,200
4	\$20,000	\$25,000	\$40,000
5	\$23,400	\$29,250	\$46,800
6	\$26,800	\$33,500	\$53,600
7	\$30,200	\$37,750	\$60,400
8	\$33,600	\$42,000	\$67,200
Each person add	\$3,400	\$4,250	\$6,800

als whose income is somewhere around 200% of the federal poverty guideline or double the federal poverty guideline.

Because the federal poverty guideline was created nearly 40 years ago, this standard for determining who is poor, and therefore who is near-poor, has long been outdated. It is based on a market basket of goods and weighs food as the biggest household expenditure. It does not take into account regional differences in the cost of housing and transportation. In New York City, even modest housing can consume 40 to 50 percent of the average family's income.

Given that the federal poverty guideline is still the primary method for determining eligibility for means-tested government benefits, many federal, state, and city assistance programs have established eligibility levels that are substantially *higher* than the basic guideline:

- Home Energy Assistance Program (HEAP) eligibility extends to families with incomes of up to 200 percent of the basic poverty guideline.
- The federal earned income tax credit program allows families of four with incomes of up to \$43,634 to receive this credit or 190 percent of the basic poverty guideline.
- In the New York area, Section 8 Housing Assistance Program (HUD) allows eligibility for a family of three with an income that is 188 percent of the basic guideline,

although given recent cutbacks, this benefit is not readily available and thousands of eligible New Yorkers are on waiting lists.

- The federally financed Food Stamp Program includes as eligible families with incomes of up to 130 percent of the basic poverty guideline.

Given that the poor are eligible for government benefits at levels up to 200 percent of the federal poverty guideline, it leaves open the question of what are the eligibility standards for the near-poor. Over the past 2 years there has been a shift in the amount of income used to determine near-poor status. Research studies, reports, and social service experts now cite people with incomes at 300 percent of the federal poverty guideline as being near-poor.

- As noted in *NYC Hunger Experience*, released by the Food Bank for New York in 2005, "The findings reveal that during the past two years, residents not typically associated with poverty have found it more difficult to afford food . . . the number [of households with incomes over \$75,000] experiencing difficulty affording food tripled from 4% in 2003 to 12% in 2005."
- The NYC Workforce Investment Board (WIB) has set a salary limitation of \$56,000 based on the *individual* self-sufficiency standard set for New York City residents who use services funded by the Workforce Investment Act.

- The Women’s Center for Education and Career Advancement (creator of the benefit calculator for the Robin Hood Foundation) estimates these monthly costs in New York City for a working one-parent, two-child family: \$1,200, rent; \$1,200, child care; \$500, food, \$400, clothing, laundry, school supplies; \$100, transport; \$180, health insurance; and \$800, taxes. This totals to \$4,400 per person or \$53,000 per year. Note that at 200 percent of the federal poverty level, a family of three cannot earn more than \$33,200 or \$2,767 monthly to be eligible for Food Stamps.

According to the United Jewish Communities (UJC) report in September 2004 entitled, “Economic Vulnerability in the American Jewish Population,” more than 730,000 Jewish individuals are in economic distress, living either below or slightly above the federal poverty standard. These 730,000 individuals represent 15 percent of the American Jewish population; in contrast 29 percent of all Hispanics, 25 percent of all non-Hispanic Blacks, and 12 percent of all non-Hispanic Whites are poor (U.S. Bureau of the Census, 2002). Because there is no universal definition for the near-poor it is challenging at best to make an “apples to apples” comparison about poverty rates among ethnic groups. However, one fact is clear: poverty exists in the Jewish community.

There is no better place to witness Jewish poverty than in the New York metropolitan area, in which more than 244,000 Jewish people have been identified as poor, a full one-third of the national figure. An additional 104,600 people are identified as near-poor based on a December 2005 report commissioned by Metropolitan Council on Jewish Poverty, using data from the UJA-Federation of New York’s 2002 Jewish Community Study (see Table 2).

These 104,600 individuals live throughout the New York area, but are highly concentrated in Brooklyn and Queens as follows:

Table 2. Number of poor and near-poor households in the New York region.

	New York City	Nassau, Suffolk and Westchester Counties	New York Area Total
Poor	226,000	18,000	244,000
Near-poor	86,500	17,700	104,600
Total	312,500	35,700	348,600

- 38,200 Jewish near-poor persons in Brooklyn
- 24,200 Jewish near-poor persons in Queens
- 17,700 Jewish near-poor persons in Nassau, Suffolk and Westchester
- 14,900 Jewish near-poor persons in Manhattan
- 8,400 Jewish near-poor persons in the Bronx

In all probability these numbers are underestimated given the methodology used and the shift over the past 2 years to the use of higher income thresholds. Using 150 percent of the federal poverty guideline in New York City, we find the following:

- One in every five Jews, 312,500 of 1,134,000, is poor.
- Jewish poverty has almost doubled since 1991 when one in ten Jews was poor.
- 27 percent of large Orthodox families are poor.
- 23 percent of Jewish children under age 18 live in poverty.
- 44 percent of Russian-speaking households are poor.
- 34 percent of Jewish seniors over age 65 are poor.
- 91 percent of the elderly Russian-speaking community report poverty-level incomes.

PUBLIC POLICY STRATEGIES TO BENEFIT THE NEAR-POOR POPULATION

The near-poor population is made up of two discrete segments: individuals who use

government benefits (welfare) to be able to move into this near-poor category and those who have not yet fallen into the safety net. Because circumstances of these two groups can differ greatly, strategies should be carefully designed to ensure that those working their way up the economic ladder can improve their situation (instead of losing benefits when they start to earn income) and those who are hanging on precariously to low rungs are given support so they do not fall into the public safety net.

The strategies listed below are a beginning list of actions that can be taken to help improve the economic situation of this vulnerable population:

- *Maintain and expand affordable access to health insurance:* Follow New York State's example and provide Child and Family Health Plus Insurance. This is critical because working families comprise 80 percent of New York State's 3 million uninsured residents. Nationwide expansion of Family Health Plus with higher income limits would ensure that more low-income working families without health insurance can receive coverage. Follow New York State Governor Elliot Spitzer's example and expand these resources for more near-poor families.
- *Make computers available to those searching for employment:* A recent *New York Times* article cites computers and new technologies as drivers for the disparity between high- and low-end wage earners (Leonhardt, 2006). In communities throughout New York working-age adults have very limited access to computers. Forging a strategy to make computers available through neighborhood-based institutions, such as churches, synagogues, community centers, and check cashing centers, is essential to getting New Yorkers back to work.
- *Designate TANF funds for healthy marriage programs:* By taking advantage of federal legislation and designating TANF funds for healthy marriage programming, states can support family programming for counseling, domestic violence prevention, and community building for near-poor and working poor families.
- *Put Food Stamp eligibility on the Web:* We should expand efforts to boost Food Stamp enrollment by accepting Web-based applications at local social service districts and using the State Tax Return Database to identify household eligibility.
- *Pilot tax structure changes benefiting those earning the minimum wage:* James Parrott, Deputy Director of the Fiscal Policy Institute in New York, explains that over the years, the proportion of low-wage earners in the workforce has increased as good jobs have vanished, wages of low earners have declined, the minimum wage has shrunk vastly in value, and tax burdens have been shifted more and more to ordinary people. For example, had the minimum wage in New York been indexed to inflation in the mid-1970s, it would now be almost \$10/hour. Further, he maintained, if we had the tax structure in New York of the mid-1970s most New Yorkers would pay less in taxes and the state would take in \$8 billion more.
- *Build more affordable housing for families and senior citizens:* Initiate an inventory of all state and publicly owned properties and then develop a statewide strategy to use this land for affordable housing. Use new mechanisms, such as dedicating SONYMA mortgage recording tax surcharge funds and designating HFA unrestricted net assets to the creation of affordable housing. Goals should be set for the development of affordable family housing.
- *Work to revise the standard metropolitan statistical area (SMSA) HUD designations:* HUD sets rentals for subsidized and public housing based on an SMSA's median income. Last year, New York's SMSA was broadened to include surrounding suburban counties, such as Bergen, New Jersey (a higher income suburban county with a median income of

\$44,514). Including areas such as Bergen County substantially raises the median income and thus the cost of rentals in projects using low income tax credits. Rents thus become unaffordable to residents of counties with substantially lower incomes (i.e., Bronx residents earn about 20 percent of the median income).

HOW THE JEWISH COMMUNITY CAN ADVOCATE AND PROVIDE FOR THE NEAR-POOR'S IMMEDIATE AND LONG-TERM NEEDS

An important component of advocacy for the near-poor is conducting research on their needs that can be used to guide the delivery of services to them. The Metropolitan Council on Jewish Poverty has prepared several reports on the near-poor in recent years:

- *Jewish Near Poverty in New York City* (Metropolitan Council, 2005) is the latest in a group of studies that address a dire need that reaches far beyond the Jewish community. The report documents the situation of the 104,600 not poor enough to receive government assistance but who do not have the means to make ends meet. The near-poor are living in households whose incomes are above 150 percent of the poverty level but below \$35,000 a year. For a typical household of three persons, this means that their annual income is between \$22,530 and \$35,000, and when asked, they reported that “they cannot make ends meet” or are “just managing to make ends meet.” This report is an important tool for understanding the specific economic circumstances of this underserved population and to advocate for improvements.
- *Report on Jewish Poverty* (Metropolitan Council and UJA-Federation of New York, 2004) builds on previous reports released in the 1980s and 1990s. The report showed a dramatic increase in Jewish households reporting poverty.
- *Teenage Orthodox Jewish Girls At-Risk:*

Study and Recommendations (Metropolitan Council, 2003) was prepared with the generous support of UJA-Federation of New York and in collaboration with the Jewish Board of Family and Children's Services. The research showed that the Orthodox are not immune to problems facing adolescents that are prevalent in society as a whole.

- *The Incidence of At-Risk Youth in the Orthodox Jewish community of Brooklyn, New York.* (Danziger, 1999) was the first study to document the unique challenges of this population, particularly problems with substance abuse in the male Orthodox population.
- Immigrant populations, in particular the Bukharians from the former Soviet Union, have been studied, resulting in the placement of culturally competent outreach workers in the community and the use of new service delivery models.

Immediate and Sustainable Solutions

The model of social service delivery used by the Metropolitan Council on Jewish Poverty is replicable, and it responds to the reality of the poor and near-poor. It focuses on neighborhoods with large pockets of Jewish poverty while serving all individuals regardless of race, ethnicity, gender, sexual orientation, age, physical ability, language, or religion. Our continuum of core services ensures that there is no wrong door for clients needing our assistance, regardless of where they first access help. Our programs enable us to go beyond crisis to give “relief” so that people can plan for long-term solutions and escape poverty. The core services for servicing the near-poor include the following:

- *Crisis intervention services:* These services help those in need with emergency cash assistance, food, clothing and advocacy, as well as eviction prevention. Services go beyond traditional counseling and provide short-term intervention to support clients in trouble and guide them to long-term solutions. Additionally, we have

- specialized *Family Intervention Programs*, which are the first of their kind in the Jewish community, that help clients survive acute physical and emotional abuse by providing emergency shelter, financial support, and counseling, along with legal and rabbinic referrals.
- *Kosher food network*: Over 2.5 million pounds of food were distributed last year through our network of neighborhood food pantries, monthly food packages, and food vouchers redeemable in local supermarkets. Costs are kept in line by using a centralized warehouse whose trucks and vans pick up donated food and distribute it to local pantries where dedicated volunteers, ranging in age from schoolchildren to senior citizens, package and distribute the food directly to 13,000 households per month. Special holiday food packages are delivered on Rosh Hashanah, Chanukah, and Passover
 - *Housing*: The provision of affordable housing is key to moving people out of poverty. Using an entrepreneurial approach to maximize government and private resources, over 1,600 units of housing have been built or renovated to shelter the elderly, mentally ill, formerly homeless, and single mothers with children.
 - *Access to health insurance*: Under contract to New York State, we facilitate enrollment of low-income children and families in Child Health Plus and Family Health Plus programs through partnering with grassroots organizations that are familiar with the culture and languages of the communities they serve. These programs provide free or low-cost health insurance for families so they remain healthy.
 - *Career services*: These services helping people advance in their careers are essential for this already working, under-earning population. Professional career/education development services include culturally sensitive career counseling and testing, education advisement, job search campaign coaching, vocational and communication skills training, and referrals to jobs, with an outstanding job placement and retention record.
 - *Home care*: The frail elderly poor rely on home care to age safely in their own homes with dignity. Under our auspices, a Medicaid licensed agency and a private agency provide subsidized home care services. We also train home care workers in eight languages, so they can obtain state certification and become gainfully employed.
 - *Project Metropair*: We repair broken door locks and windows and install adequate security and safety devices, such as window-guards and bathtub safety rails. This unique service preserves the housing stock, prevents injuries and illness by keeping seniors safe and healthy in their homes, and allows seniors to age at home with dignity when they cannot afford these repairs on their fixed income.
 - *Project Machson*: The program collects new and gently used clothing and furniture and redistributes these goods to help those who cannot afford them to build self-sufficient and independent lives.
 - *Local network of store-front services*: Integrated into the local community, these store-front services are able to find those in need from the elderly woman who only picked up half of her medicine at the pharmacy because she could not afford the rest to the children who show up to school without winter coats. Available and easy to use, especially for the frail homebound elderly who cannot travel, these store-front services offer assistance close to home and provide real-time information on local needs to the umbrella organization so that resources can be dedicated to address service gaps and provide assistance to needy individuals.

CONCLUSION

The guiding principle of the Metropolitan Council, "Acts of Charity, Deeds of Kindness," exemplifies our communal belief that

every Jew is responsible for fellow Jews and for the community at large. It is our responsibility to be at the forefront of this issue, fighting for our brothers and sisters who struggle with poverty. Just as we unite to advocate for Israel, we need a national coordinated effort to advocate for the Jewish poor and near-poor. When there are proposed changes in social welfare policy, as there are every time a new budget is passed, the Jewish community should be advocating for those in need and working together with our elected officials for positive and equitable social change.

Jewish poverty is not an oxymoron. It is our responsibility to educate and engage fellow Jews and the community at large about the serious issue of Jewish poverty. The entire Jewish community must rally together to advocate for those in need in order to change the structural obstacles and improve the quality of life for the Jewish poor and near-poor. With the help of partnerships, volunteers, donors, and dedicated

staff we can work together to make real changes and indeed be an example of doing “acts of charity and deeds of kindness.”

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