Don’t Let “Conversation One” Squeeze Out “Conversation Two”
We live in a country that, despite being very rich, seems quite willing to tolerate unusually high rates of dire poverty. As Kathryn Edin and H. Luke Shaefer have recently shown, there is real $2/day poverty in the United States, and much of it.  

It is perhaps a puzzle that a country so rich is seemingly so untroubled by poverty. It is not that high rates of poverty are altogether ignored: We of course have all manner of poverty reform discussions, poverty conferences, and poverty commissions. The poverty reform business is hardly a small one. But it is striking that we enter into poverty reform discussions with such circumscribed objectives and such narrow-gauge proposals for reform. We assume that the best we can do is contain the problem, and we seldom even consider the idea that we might actually solve it.

This is surprising. When the problem is big, one might imagine that the policy response would likewise be big. But in fact sweeping reform is rarely contemplated and never enacted. This quiescence is especially strange given that the U.S. is a country that prides itself on viewing institutions as perfectible, as humanly created, and as the proper objects of ceaseless recasting as we attempt to bring them into closer alignment with our principles.

In this essay, rather than advocating for one particular type of policy or another, I will instead argue for the need for two conversations about reducing poverty. Although it is important and valuable to continue on with our usual "poverty reform" conversation, there is also a need for a more assertive strategy. The articles in this issue provide important beginnings for that strategy, but I want to suggest that there is room for an even more aggressive conversation. I do not pretend to know exactly where that conversation should go. I will only suggest that we need to begin it.

**Conversation One**

At present, one conversation dominates the academic and policy discourse: A precisely focused, science-based conversation that identifies social problems and offers specific, evidence-informed solutions. I focus on a single problem—the reduced educational investments of poor children—to illustrate how “Conversation One” works.

The substantial and persistent inequalities in educational attainment across time and countries are well documented. For example, much research demonstrates that test score inequalities are present early in life, and that by the time children reach kindergarten, those from high-income backgrounds are many years ahead of those raised in poverty. Socio-economic inequalities in college access, selective college access, and college completion are similarly ubiquitous, and there is again evidence that such inequalities have only grown larger in recent decades. These findings—and many others—have led to a growing consensus that if we wish to prevent the transmission of poverty across generations, we might look first and foremost at eliminating inequalities in educational attainment.
The very same academics who document inequalities are increasingly likely to propose and test interventions designed to reduce them. This is all to the good. For example, recent research demonstrating that low-income students are underrepresented in college partly because they do not always receive the financial aid to which they are entitled was paired with the development of an intervention in which (1) such students were given information about post-secondary education options, and (2) their college financial aid applications were filled out automatically from tax returns. This intervention substantially increased the likelihood of poor students enrolling in college and, if taken to scale, would be expected to reduce the income gap in college enrollment. Other research has pointed to a phenomenon known as “summer melt,” wherein graduating high school seniors with a confirmed college placement fail to enroll in college at the end of the summer. Experiments have shown that sending a series of text messages to graduating seniors significantly reduces the number of students who drop out over the summer months. Given that low-income students are at particular risk of summer melt, this intervention would again be expected to reduce inequalities in college enrollment.

In Conversation One, narrow solutions are proposed to overcome tightly defined problems, where the problem being solved may be but one manifestation of a much wider inequality. An extreme version of Conversation One is perhaps best summed up in the “nudge” philosophy, originating in behavioral economics, which is particularly influential in the current policy discourse. What are nudges? For Richard Thaler and Cass Sunstein, “A nudge, as we will use the term, is any aspect of the choice architecture that alters people’s behavior in a predictable way without forbidding any options or significantly changing their economic incentives. To count as a mere nudge, the intervention must be easy and cheap to avoid. Nudges are not mandates. Putting fruit at eye level counts as a nudge. Banning junk food does not.” The financial aid and text messaging interventions described above are both examples of nudges that have been influential in the policy debate around inequalities in college access.

The nudge is of course an especially extreme rendition of our more general tendency to prefer incremental reform. But it is indicative of our very circumscribed discourse and our preference for tailored interventions: We tinker with different ways to increase the take-up of food assistance (i.e., the Supplemental Nutrition Assistance Program); we tinker with different ways of delivering home visiting programs; and we tinker with different types of qualifying work requirements in the context of existing welfare programs (i.e., Temporary Assistance for Needy Families). It is of course good that we try to make our existing institutions operate more effectively. But when tinkering with existing institutions fails—in a context of growing poverty and inequality—we should at least consider throwing in the towel and casting new institutions. For this to be feasible, we must encourage and foster what I am labeling “Conversation Two.”

**Conversation Two**

It is perhaps to be expected that contemporary social science should come to be associated with a program of small incisions. An increasing scientism within social science disciplines alongside an emphasis on evidence-informed policy generates pressure to catalog precise mechanisms that address small parts of the puzzle of inequality. This is all to the benefit of human knowledge; a hallmark of science is that it relies upon the accumulation of knowledge across a great many individual scientists and research projects. But by focusing only on the fragmented impact of inequality across many small domains, the larger story is lost. The simple, profound, crushing impact of poverty and inequality on educational attainment or on life chances more generally is missed. At worst, Conversation One may divert our attention from the root problem that the carefully delineated interventions are designed to address.

It is uncontroversial to state that the elimination of poverty would require far-reaching institutional reforms. What is more controversial perhaps is the suggestion that social scientists are likely to undermine the aim of eliminating poverty if Conversation One is the only conversation in which we engage. And yet the very roots of the word “intervention” betray its concerns—the idea is to step in between the process and the outcome. The methods, usually experimental, by which we test interventions rely on the idea that we change just one thing and keep everything else the same. But if we become so inured to the extent of poverty that our only response is to ameliorate its effects through interventions, we are in danger of treating the symptoms of the disease and not the cause. Alongside Conversation One, therefore, we must also engage in Conversation Two.

Conversation Two insists that in addition to any discussion about expedient, small-scale interventions, we have a wider discussion about where poverty comes from and what types of larger-scale changes might be needed to eradicate it. This is a difficult conversation for social scientists to have because, when asked what it would take to eradicate poverty, we feel immediately constrained by the self-censoring that occurs when we consider whether or not it can be done. In addition, it is problematic to advocate for large-scale institutional reform from a social-scientific standpoint, given the difficulty of testing in advance what the effects of such reform might be. An unanticipated effect of the current mantra on “evidence-based” policy is that we have become exceedingly circumscribed in our policy options. We only contemplate narrow changes, and we thereby forego bold moves that might yield big returns.

This is not to suggest that aggressive policy change is necessarily “evidence-free.” We do have examples of alternative institutional arrangements that might serve as models for reform. These alternatives take the form of institutional arrangements that are already in place in other countries.

Let us return, by way of example, to the field of education. Here, alternative institutional arrangements abound. In some countries, there have been important steps toward breaking
the relationship between neighborhood and school quality. In the United States, school socioeconomic segregation is seen as a natural consequence of neighborhood segregation, which affects both the quality of schools (because schools in poor areas have a smaller tax base from which to draw) and the student composition of schools. Neighborhood segregation is less extreme in many countries, but there have been attempts to mitigate its effects on educational outcomes. From a cross-national perspective, it is in fact rare to tie school funding so closely to neighborhood wealth: In the majority of European Union countries, for example, the level of resources provided for teaching staff and operational costs is determined by a centralized funding formula.9

This is but one example. If we were to insist on retaining our decentralized funding practices, we could instead follow the lead of countries that attempt to break the relationship between neighborhood and school quality by assigning school places through a lottery. South Korea instituted a lottery for upper secondary academic schools in large cities in the 1970s, and researchers have reported a greater degree of socioeconomic diversity within schools and increased equality in school outcomes for those areas with such lottery assignment.10 Cross-national variation at the college level is also substantial. Most notably, in many countries, college is free for all who wish to attend.11

In other domains, substantial reforms to the economy and labor market could be implemented along the lines of flexicurity, a labor market system initially developed in Denmark, and which is now one of the central planks of EU labor market policy. In flexicurity systems, flexible employment relationships, employment security, and a high minimum wage exist alongside possibilities for lifelong learning and re-training.12 Perhaps most relevant for poverty policy, flexicurity tackles long-term unemployment by committing to continuous retraining, increasing financial support for the unemployed, and thus reducing the length of unemployment spells. Flexicurity is doubtless a characteristically European policy, but advocates such as Joshua Cohen and Charles Sabel have made a powerful case that the United States should adopt the approach, even if this “would require a sharp departure from past practice, freeing ourselves from the tight grip of the past’s famously cold, dead hand.”13 I offer up flexicurity as but one example of big-R reform. We might equally consider new laws that eliminate all intergenerational transfers, that dramatically ramp up unions, that eliminate race-biased incarceration, and that outlaw residential segregation (by race and income). This is but a partial list.

It is sometimes argued that nothing is more sacred in the U.S. than the presumption that only low-income workers deserve our help (via, for example, the Earned Income Tax Credit). The American love affair with work is deep. But we must also appreciate that some individuals cannot work and that all individuals, even nonworkers, deserve to be treated with dignity. Edin and Shaefer exposed the desperate situation of American families existing only on state support of less than $2 per day, where welfare state policies focused on work have locked out those with precarious positions in the labor market. In addressing non-working poverty, we might draw on alternative conceptions of welfare states that offer support to those both in and out of the labor market. To be sure, these alternative visions require different types of tax regimes, but it bears noting that tax regimes that would be routinely dismissed as unworkable in one country are implemented unproblematically in others.14

In considering the institutional arrangements of other countries as possible models, it is important to acknowledge that we have already moved away from the most radical form of Conversation Two: A conversation rooted in what might be rather than merely what is. It is, I confess, already bold to ask Americans to consider how other countries “do poverty.” It is asking far more that they also consider institutional reforms that are limited only by the imagination. In academic and policy circles, such a sentiment is most likely to be met with an eye-roll, the weary response of the battle-hardened. But there are two reasons why social scientists should have this radical form of Conversation Two ready and available. First, science requires us to be honest and up front about the extent of reform that would be required to eliminate poverty. Discussions about the overwhelming and far-reaching effects of poverty and inequality are only undermined by the suggestion that small, or even moderate, tweaks to policy might be able to substantially counter their effects.

The second reason to open up to truly radical reform is yet more important. Namely, what is considered to be a palatable and feasible reform by the public may change, and it may change quickly. Sunstein identifies the phenomenon of a “norm cascade,” in which there is a rapid change in what is seen as deviant or acceptable from one moment to the next; this often occurs because there is a disjunction between what people feel privately and what they are willing to express publicly.15 In societies with very high levels of socioeconomic inequality and where most are relatively disadvantaged, it is probably unwise to assume that private beliefs about inequality and deprivation will always match the current normative, public expressions. If contemporary norms around poverty and the appropriate institutional responses to poverty were to change rapidly, social science would need to be ready to weigh in on the viability of alternative institutional arrangements.

Conclusion
To be sure, social scientists in the United States have made the case for institutional reform, and a call for a stronger form of Conversation Two should not undermine those efforts. The clearest example is to be found in the discussion around early childhood education. This was once a radical conversation: After all, early childhood interventions are predicated in part on the view that we cannot rely on the family for early training and that only by re-allocating that function to other institutions can
a substantial reduction in poverty be achieved. The same willingness to undertake significant reform should be ported to the other major institutions of our time. The simple question to be applied to each and every one of our institutions is: What needs to be changed to guarantee that it does not generate or reproduce inequality? The second conversation is one that ensures that large-scale institutional reform is always on the table. Marx is famous for writing, “Philosophers have hitherto only interpreted the world in various ways; the point is to change it.” Since the moment it was committed to print, this phrase has doubtless been perceived as naïve and idealistic, but in fact it encapsulates precisely the naïveté that is seen, at least by some, as the essence of the American experiment. If we do not include Conversation Two alongside the smaller interventions that we think might just have a chance, we are in danger of leaving a legacy of nudges without any real, systemic change.

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