Poverty Traps and Sustainable Solutions: Using Mixed Methods to Understand the Economic Barriers to Living-Wage Jobs in Indiana, Pennsylvania

Mark Berezansky
Executive Director
IUP Research Institute
1179 Grant Street
Indiana, PA 15701

ATP Project Date
August 2015 – May 2016

Submitted June 1, 2015

Project Director:
Dr. Brandon Vick
Assistant Professor of Economics
Indiana University of Pennsylvania
213 McElhaney Hall
441 North Walk
Indiana, PA 15705
724-910-0753
brandon.vick@iup.edu
**PROJECT FOCUS:** IUP students from the Global Poverty class at IUP will team with students from the Applied Anthropology class and work with the Center for Community Growth to meet three goals: conduct quantitative research on the economic decisions and hardships of families in the region; conduct qualitative research on the experiences of people facing hardship due to expenses, debt burdens and/or barriers to gaining/keeping employment; and communicate findings to help the Center in its mission to educate people about local barriers to economic justice.

**PROJECT DETAILS:**

**Course Number, Name, and Instructor:**
ECON 481: Global Poverty and Local Perspectives, Fall 2015  
Instructor: Dr. Brandon Vick, Assistant Professor of Economics

ANTH 360: Applied Anthropology, Fall 2015  
Instructor: Dr. Amanda Poole, Associate Professor of Anthropology

**Community Partner: The Center for Community Growth—Indiana, PA (CCGI)**
The Center for Community Growth is a local community member organization seeking to promote a more fair, equitable, and sustainable community. CCGI is “actively working to improve the livelihoods of residents by addressing issues of social, economic, racial, and environmental justice.” The Center for Community Growth formed after our 2012-2013 ATP Project: Sustainable Indiana. Based on student research with members of the grassroots group, Coalition for a Healthy County (CHC), including a survey of members, video interviews with partner environmental organizations, and focus groups held at the CHC annual meeting, this organization decided to broaden its mission and tackle a range of interconnected social, environmental, and economic justice issues. The CCGI has initiated a number of projects related to sustainable economic development, including the Farmer’s Market/CSA Action Network, the Nondiscrimination Action Network, and the Recycling Action Network. Please refer to their website for information about their extensive projects, community programming, and partners: [https://theindianacenter.wordpress.com/](https://theindianacenter.wordpress.com/).

2015-2016 ATP partnership with the CCGI stems from a current collaboration on economic research to calculate living wage estimates in our region. Working with a national policy research organization, the Alliance for a Just Society (AJS), Brandon Vick has been heading a team of student interns and CCGI members to collect economic data on Pennsylvania families from a number of public sources to calculate the typical expenses that people in the region face, the budgets they must maintain, and the wages required to live under such financial constraints. The purpose of this research is to inform the community and policy makers about debt burdens, inability to pay expenses, and the disparity between families working in jobs that pay living wage jobs versus those that do not. Our budget and living wage estimates for Pennsylvania will be included in national reports generated by the AJS.

**Need**
Indiana County, Pennsylvania has a poverty rate of 17% and a child poverty rate of 22%, well above the national average and near the Appalachian region rate. Local service providers, community organizations, and political leaders have held two [poverty summits](https://theindianacenter.wordpress.com/) in the past six months with the intention to encourage better collaboration, identify barriers to leaving poverty, and develop sustainable solutions. Although the unemployment rate for the county is currently 4%, many of the jobs people work do not earn them enough to pay bills and cover debt. Some people have jobs but may face other barriers that keep them on the brink of poverty: broken-down transport that cannot be fixed, unreliable daycare, or unexpected catastrophic
health expenses. Better understanding such poverty traps and their prevalence can inform pro-poor investments in employment and infrastructure initiatives.

The community needs better information on the economic lives of low-income families to further these local initiatives. Research can serve as a real asset to local organizations in a number of ways. First, research on family debt, expenses, and budgets can identify “poverty penalties” — areas where the poor pay more for goods and services, in terms of a longer time period to acquire a good or service, poorer quality per dollar spent, or higher spending on a good/service as a percentage of one’s total budget. Common examples are poorer quality childcare available to low-income families or higher costs of health services in an emergency situation compared to preventative use of services. While service providers, such as local food banks or temporary housing, collect information on clients after economic hardship has hit, broader research on poverty penalties in the local context may identify the most prevalent reasons for such hardship.

Second, research on local jobs, in conjunction with the information above, can identify the occupations that pay living wages which lessen the vulnerability of families to typical expenses, those that do not, and the prevalence and gap for those in or near economic hardship. Again, while providers collect information on those who use services, less is known about those who 1) qualify but do not use services and 2) do not qualify but need services.

In conjunction with CCGI, we will begin work on research that can assist local programs, service providers and policy makers by providing them with better information on the economic lives of low-income families in Indiana, PA. A combination of quantitative and qualitative methods will be used in this research: quantitative analysis of public economic data allows for estimation of poverty-related statistics; qualitative research uncovering the experiences of people facing hardship and the economic decisions they make allows for better understanding and communication of the nature of poverty in the area. A partnership with economics and anthropology students will allow for more in-depth research on particularly problematic barriers keeping people in poverty and/or out of work.

**Planned Meetings with Community Partner**

Given CCGI’s familiarity with the local problem areas and needs for research, the ECON 481 class and a select group of student from ANTH 360, will meet with CCGI at least three times. As a first step, the students will meet with the CCGI at the beginning of Fall Semester. The purpose of this early meeting will be to communicate to students the goals and significance of the project, and detail the methods and findings of previous economic research performed by the CCGI. CCGI will lay out particular areas of interest that are conducive to further, more in-depth quantitative or qualitative research. The second meeting with the CCGI will occur in late October, when students will share their research results with CCGI members and accept comments and feedback from the community partners. The third meeting with CCGI will be to discuss findings with other local groups, including local political leaders and program providers.

**Overview of the Project, Including its Central Focus**

The central focus of the project is to assist CCGI and other community partners in better understanding the nature of poverty traps in the local area: estimating the typical expenses, debt, and budgets of families; the pay from jobs they work or the reasons they can not find/keep jobs; the rate of this economic hardship; the gaps between pay and expenses; and the reasons and stories about why some families are not escaping poverty. Students will seek to accomplish these goals focusing on specific research areas identified in conjunction with CCGI. One project may be a quantitative analysis of occupations in the county that pay a living wage, estimating the percentage of jobs that do not and how far these jobs fall under the typical budget one needs to pay debt and expenses. Another project may consist of interviews with people who lost
their jobs due to unreliable transportation, health, elder-care, or child-care issues; their economic situations; and their perspectives on the types of programs might have kept them in work. Students will contribute to a number of poverty-related resources for the CCGI, to be communicated to the wider community. These resources include: 1) Economic briefs on the different aspects of poverty that provide a description of the problem, analyze the local situations (either quantitative, qualitative, or a mixed approach), and recommend local policy focuses; 2) Multimedia materials used to communicate findings, potentially including video, podcasts, and blog posts highlighted on the CCGI website.

Goals/Objectives

- Students will work with the Center for Community Growth to engage in poverty research on issues of importance identified through the CCGI’s previous research of local families.
- Students will increase their experience and knowledge of research methods related to poverty, social programs, employment, and earnings. According to each student’s training and interests, they will conduct either quantitative research (i.e. statistical analysis of economic data) or qualitative research (i.e. oral histories of people in poverty, interviews, or program participant observation).
- Students will be engaged as active, informed, and empowered learners, helping to publicize and present their findings to local program providers, such as the Department of Health and Human Services and the Indiana County Community Action Program, local political leaders, other IUP students, and IUP faculty and staff interested in issues of economic development.
- Students will explore the usefulness of using economic theory and mixed methods as participants in local policy research and economic communication.

Activities that meet the goals/objectives

- Class will meet regularly for academic discussion, lectures, methodology training, analysis of readings, writing assignments, and discussion of community work.
- Students will meet with the Center for Community Growth at the beginning of Fall Semester, and throughout key phases of the project (as detailed above).
- Students will work with community partners, draw from publicly available data sources, and actively seek out other community members and organizations (including other IUP students) to identify specific topics for further research, related to poverty, expenses, service usage budgets, or earnings.
- Students will use poverty measurement methods and other statistical methodology to analyze publically available family-level economic data.
- Students from ANTH 360 will work with ECON 481 students to facilitate the use of applied anthropology methods including ethnographic and oral history interviews, participant observation, and cultural domain analysis.
- Students will communicate their findings through written, online, and oral presentation to members of CCGI and other local leaders.
- Students will present on their final product at the ATP meeting in Washington.
- Students will also present a poster at the Appalachian Studies Association annual conference in March 2016, and at local conferences including the IUP Undergraduate Scholars forum.

Project Outcomes:

- Development of leadership and citizenship skills among students engaged in the project.
- The strengthening of writing and oral presentation skills among students engaged in the project.
- Create potentially lasting partnerships between campus and community groups and service providers.
• Build community through fostering a sense of pride and belonging in the local town on behalf of IUP students. Create a sense that they are involved in local problems and can play a role in local solutions.
• Contribute to enhancing community assets in Indiana — student research can help local organizations better provide, target, and evaluate services.
• Improve relationships between long-term residents and students by fostering partnerships in proposing sustainable solutions to problems related to poverty.
• Provide the opportunity for students to conduct community-based research, present on their work, and be exposed to work occurring in other areas of Appalachia.

These outcomes will be demonstrated through:
• A participatory project that identifies, analyzes, and explains particularly problematic contributors to the poverty traps that local families experience.
• Individual student report briefs that explain a particular barrier to moving out of poverty and the significant role it can play in a family’s economic life, analyze the effects of this barrier in the community, and propose potential solutions to address the barrier.
• A final report detailing the various dimensions of such poverty traps and multimedia presentation for campus and community stakeholders.
• Presentation of student and community work consisting of a multimedia overview of the project and its outcomes at the ATP conference in Washington, D.C.
• Presentation of project outcomes to the CCGI in late November.
• Presentation of student findings to service providers and local leaders in early December (venue to be determined).
• The production of a poster for the ATP conference.
• Presentation of a poster at the Appalachian Studies Association Annual Conference, March 2016 and the IUP Undergraduate Scholars Forum in April 2016.
• Research that is consistent with the goals of the ARC strategic plan, namely identifying and informing the community about barriers that 1) limit “job opportunities and per capita income in Appalachia” and 2) limit “the capacity of Appalachian people to compete in the global economy.”