# Poverty as a Challenge For Mexican and U.S. Civil Society

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he year 2000 has seen the destinies of Mexico and the United States coincide as never before in recent years. Economic globalization and regional integration have set them in a pattern of asymmetrical interdependence, but have also provided a unique opportunity for mutual collaboration.

In this context, our aim is to offer an initial approach for exploring the potential capabilities of social forces that may be able to learn from each other and even work together beyond traditional borders to solve the common problems of poverty and social exclusion. Given the two nations' uneven development, clearly the profundity of these phenomena demand a still insufficiently completed in-depth analysis and a very careful comparison.

Citizens' organizations are becoming increasingly consolidated and attempting to strengthen their ability to take direct action to improve their societies. Therefore, we will focus on the convergence between DECA, Equipo Pueblo from Mexico, and ACORN, the Association of Community OrganiBecause they link up individuals and communities to civil and economic rights, NGOs are crucial to modern democracy, whose legitimacy should be derived from a more effective distribution of social wealth.

zations for Reform Now, from the United States.<sup>1</sup>

## A SNAPSHOT OF POVERTY

According to the World Bank, poverty in Mexico is both a sizable and persistent problem, despite the fact that the country has the world's thirteenth largest economy, as a result of dynamic economic growth that reached 4.8 percent of the GNP in 1998.<sup>2</sup>

Dr. Julio Boltvinik states that with the country's total population of almost 100 million people this year, 54 million live in extreme poverty: 32 million in cities and the remaining 22 million in rural areas. Paradoxically, the official anti-poverty program, PROGRESA, states that only 15 percent of all Mexicans live in these conditions.<sup>3</sup>

A process of structural adjustment, embodied by privatization and deregulation, has widened the gap between rich and poor. Today the top one percent of Mexico's population concentrates 50 percent of national income.<sup>4</sup> Furthermore, between 1994 and 1999, the number of people with daily incomes below U.S.\$3 a day increased from 32.85 percent to 36.09 percent.<sup>5</sup>

While malnutrition affects 40 percent to 65 percent of Mexicans, half of these people have a diet that falls below the minimum daily nutritional requirements established by the World Health Organization (2,340 calories). In contrast, 59 percent of the nation's wealth is in the hands of only 12 percent of its population.<sup>6</sup>

The lack of increased investment in education —this year about 3.9 percent of the national budget— aggravates the problem, as there are still 6 million illiterates and 18 million Mexicans who have not even completed elementary education.<sup>7</sup> In addition, there is only one doctor per 800 inhabitants.<sup>8</sup>

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Poverty must be recognized as a social problem inextricably linked to politics.

Now, to introduce the magnitude of poverty in the Unites States, we should address the importance of a dominant set of public values that tend to explain social inequality individualistically, as people are generally deemed responsible for their own plight.

In 1998, the Bureau of the Census reported that the poverty threshold for a family of four people in the United States was U.S.\$16,660. That same year, 34.5 million Americans fell into this category.

Taking into account that the total population of the U.S. in 1998 was estimated at 271,059,000, 12.7 percent of Americans were living in poverty: at least one out of every 10 whites lives in deprivation, as do almost three out of every 10 Blacks.<sup>9</sup>

Of all Americans living in poverty, 45.8 percent are non-Hispanic Whites, 22.2 percent are Hispanic Whites, 26.4 percent are Black and 5.6 percent belong to other minorities.<sup>10</sup>

More U.S. children live in poverty than in any other developed country.

They continue to represent 40 percent of the poor, and children under six are the most vulnerable.<sup>11</sup>

There has also been a decline in the value of real wages, particularly for unskilled and less educated workers, like those in the lowest twentieth percentile of the labor force who have experienced a 22 percent drop in real wages since the 1970s.<sup>12</sup>

In terms of the distribution of wealth, it is important to note that the richest 10 percent of U.S. households concentrate 85.8 percent of the growth in the stock market.<sup>13</sup>

#### TWO COUNTRIES, TWO EXAMPLES

DECA, Equipo Pueblo, A.C., was born in 1977 as a civic association that promotes social development from below, through alternative projects mainly at the local or regional level. Working closely with grassroots organizations and citizen coalitions, the group's main goal is to fight the negative impact of the current economic crisis on Mexico's most dispossessed population.

Its mission emphasizes not only the promotion of social justice, but the strengthening of democracy and human rights in a country where these basic claims, although included in the Constitution, are still threatened. With an aim of playing a role in policy making, this organization pays special attention to forging citizenship as a key that can be translated into people's empowerment.

They hold that the impact of this would allow common people to participate in the design, management and monitoring of truly socially oriented public policies.

Equipo Pueblo's core challenge is to influence all levels of government, from local to national and beyond, that is to say, also foreign governments and multilateral organizations.

By having a comprehensive knowledge of the effects of globalization, as well as following up and assessing the consequences of the ongoing process of structural adjustment, they are looking for an alternative approach capable of redeeming both the national economy and the centrality of social policy. They demand fair play between government and citizens, by virtue of the construction of a new culture deeply rooted in participation and commitment. With this in mind, ethical values would therefore pervade the public sphere.

Its basic premises are transparency and efficiency. They give a special place to developing research initiatives and publishing materials, as they understand their capacity for strengthening the organization's power and visibility. Many international foundations, foreign governments and development organizations from Europe, Canada and the U.S have financially supported Equipo Pueblo.

The U.S. organization, ACORN, was created in 1970. Its longevity, size and national scope make this group unique. It is absolutely committed to organizing the poor and powerless, using its experience to break new ground. It pioneered multi-racial and multiissue organizing.

All members must play an active role in the organization, since ACORN is committed to organizational democracy and grassroots leadership. Members, not staff, speak for and lead the group. They elect leaders from within their communities to serve on the city, state and national boards that set policy for the organization.

ACORN stresses the importance of being active in mainstream politics, so they hold public campaigns to register new voters and to demand electoral campaign financing reforms. They have even created a progressive grassroots alternative to the two main parties which they call the New Party.

Among ACORN's successful activities are the establishment of local housing corporations. Also, it pressures banks to grant mortgages and home improvement loans in low-income communities. The ACORN Tenant Union organizes public housing residents nationwide on issues such as repairs and security.

This group has played a leading role in developing municipal policies requiring employers who benefit from public subsidies not only to hire community residents, but also to pay a living wage and provide opportunities for their advancement.

ACORN is committed to being selfsufficient. Members pay dues and organize fund raising events to raise 75 percent of the organization's entire budget.

#### CONCLUSION

These two groups carry out a wide range of programs that include policy analysis and advocacy, education, grassroots organizing and technical assistance, designed to support local or neighborhood groups, as well as other organizations or institutions, in their broad-based effort to empower people. They are also both a source of leadership.

The main conclusion to be reached after analyzing their common goals is that we must recognize that poverty is a social problem that does not exist apart from politics. Therefore, it is in such organized spaces that people suffering deprivation are not only able to inform themselves, but to gradually develop a rational, positive attitude toward the importance of social cohesion.

Because they link up individuals and communities to civil and economic rights, NGOs are crucial to modern democracy, whose legitimacy should be derived from a more effective distribution of social wealth.

### Notes

<sup>1</sup> We consider DECA, Equipo Pueblo and ACORN NGOs because they are voluntary organizations "created to advance causes and issues of general social significance, as well as... [to serve] the nonprofit interests of specific groups." See http://www.mihancivilsociety.org. "The New Force. An Introductory Guide to Building Civil Society Organizations," June 2000, released by the Mihan Foundation.

- <sup>2</sup> http://www.globalexchange.org/campaigns/mexico/jornada091999.html. "Poverty Is on a Steady Climb in Mexico, Indicates the World Bank," September 1999, released by Global Exchange.
- <sup>3</sup> The 54 percent figure has been calculated using the difference between total family income and the actual cost of a Standard Food Basket. Using other measurements, extreme poverty in Mexico came to 20 percent of the population under the Levy line method, and 29 percent by the Economic Commission for Latin America and the Caribbean (ECLAC) index. Source: Julio Boltvinik, "Economía moral. El error de Levy," *La Jornada* (Mexico City), 25 February 2000, p. 1.
- <sup>4</sup> This number represents a group of 240 families. Arturo Gómez Salgado, "Se desploma el ingreso de los mexicanos: CT-UNAM," *El Financiero* (Mexico City), 2 September 1999, p. 21.

<sup>5</sup> Ibid.

- <sup>6</sup> Germán Torres Rojano, "Se apodera de México la pobreza extrema," *Proyección Económica* (Mexico City), February 1999, pp. 54-55.
- <sup>7</sup> Taken from Miguel Angel Granados Chapa, "Plaza Pública," broadcast by Radio UNAM (Mexico City), 8 June 2000.
- <sup>8</sup> http://www.jornada.unam.mx/2000/ene00/ 0001111/pol3.html. Rosa Elvira Vargas and Angeles Cruz, "Los avances de salud 'motivo de orgullo', asegura Zedillo," 11 January 2000, released by La Jornada.

<sup>9</sup> Ibid., table B-1, appendix B.

<sup>10</sup> Ibid., cover chart.

- <sup>11</sup> Vincent N. Parillo et al., *Contemporary Social Problems* (Needham Heights, Mass.: Allyn and Bacon, 1999), p. 190.
- <sup>12</sup> James Smith, as quoted in Margaret Andersen, "Restructuring for Whom?" p. 5, paper read at the Presidential Address of the 69th Annual Conference of the Eastern Sociological Society, Boston, March 5, 1999.

<sup>13</sup> Ibid., p. 4.