The Jobs Challenge:
WORKING TO END HUNGER BY 2030
The wages of the laborers who mowed your fields, which you kept back by fraud, cry out, and the cries of the harvesters have reached the ears of the Lord of hosts. —James 5:4

The world as a whole has made dramatic progress against hunger and poverty in recent decades, and the United States has made progress too. The U.S. poverty rate has dropped by nearly half since the late 1960s, mainly due to the system of federal assistance that was launched back then and improved over the years.

But the earnings of low-wage workers have been stagnant for decades. The earnings of middle-income people haven’t gone up much either, contributing to widespread resentment against programs that assist many people in poverty.

Meanwhile, the incomes of wealthy Americans have soared, and big money has come to play a bigger role in U.S. politics.

President Trump and both houses of Congress have advanced budgets that call for more than $2 trillion in cuts over ten years to programs that provide help and opportunity to low-income people. President Trump also wants to cut assistance to hungry and poor people in developing countries by one-third.

These cuts would dramatically increase hunger and poverty in our country and around the world. So, Bread for the World and its members are focusing our advocacy on convincing Congress to maintain funding for anti-poverty programs.

But continued progress against hunger in America will depend on improved job opportunities for low-wage workers.

Political leaders across the ideological spectrum agree that our country needs to develop better job opportunities for low- and middle-income Americans. During his campaign for the White House, President Trump repeatedly promised job opportunities to “the forgotten men and the forgotten women.”

This report discusses an array of public policies that would improve job opportunities, especially for low-wage workers. We emphasize proposals that some members of Congress...
from both parties support. Bread for the World and its members will be campaigning on a few issues on which we think we have a chance of winning change.

The last chapter of this report is about what can be done to improve job opportunities among hungry and poor people in the developing world. The resentment that many Americans have come to feel toward safety-net programs in the United States extends to U.S. policies and programs that are important to hungry and struggling people around the world.

Yet better job opportunities for Americans and workers in the developing world can be mutually reinforcing. If the developing countries don’t continue to prosper, that will depress the growth of the U.S. economy and job market. And if U.S. workers don’t prosper more than they have in recent decades, many of them will oppose U.S. policies that are important to sustained prosperity in other countries. Lose-lose.

This report looks ahead to the elections of 2018 and 2020. U.S. citizens need to get active and elect political leaders who will set the stage for shared prosperity and continued progress toward the end of hunger everywhere. Win-win.

Most people in the United States think our country is on the wrong track. We may disagree on what the right track would be, but we agree that we are on the wrong track. This passage from the Hebrew prophets point a way forward for America:

*If you remove the yoke from among you,*
*the pointing of the finger, the speaking of evil,*
*if you offer your food to the hungry*  
*and satisfy the needs of the afflicted,*  
*then your light shall rise in the darkness*  
*and your gloom be like the noonday,*  
*The Lord will guide you continually,*  
*and satisfy your needs in parched places,*  
*and make your bones strong;*  
*and you shall be like a watered garden,*  
*like a spring of water,*  
*whose waters never fail.*

—Isaiah 58:9-11

Rev. David Beckmann

*President,*

*Bread for the World and Bread for the World Institute*
EXECUTIVE SUMMARY

Main Messages

Ending global hunger and extreme poverty is within our grasp. Incomes are rising even in countries once thought to be facing insurmountable challenges, showing that progress is possible anywhere when barriers are removed. A global consensus has now formed that 2030 is an ambitious but attainable target date.

In the United States, the preferred way of ending hunger is by ensuring that everyone who wants a job can get one and that it pays a sufficient wage. The bare minimum that defines a “decent” job is a sufficient wage, which should provide families with the means to put food on the table. For those who are raising children, a decent job should allow them to balance their responsibilities as an employee and parent.

Decent jobs are also the best way to end hunger and extreme poverty in developing countries. The zero-sum narrative holds that prosperity in another part of the world must come at the expense of workers in the United States. But it doesn’t have to be this way. Better policies can make the difference. We can reclaim the American Dream for all in our country, and we can share that powerful dream with our neighbors who are striving for more than a subsistence life. This is the jobs challenge that the 2018 Hunger Report addresses.
Stagnant wages are contributing to hunger

The incomes of all but a small percentage of families in the United States have been stagnant for a generation. Since 1980, an overwhelming share of gains from economic growth in the United States has gone to the richest households, starting at the top 1 percent of all income earners. At the other end of the income distribution, the lowest-earning households have been losing ground. Incomes are worth less today than in 1980 when adjusted for inflation.

Much of the progress against hunger and poverty in the United States over the past 50 years is due to government programs such as the Supplemental Nutrition Assistance Program (SNAP, formerly known as the Food Stamp Program) and the Earned Income Tax Credit (EITC). These programs are indispensable. They have had to carry the load for national food security even though economic growth has been more than adequate. If growth had been shared more equally, it could have raised real incomes for everyone (see Figure 1).

Labor is more than a commodity. The work people do is a source of dignity in their lives, or at least that is how it should be. It is dehumanizing when wages are not sufficient to provide for basic living costs. Millions of working families have little left after paying for

Figure 1  Inequality in One Chart: Who Benefits from Economic Growth?
1946-1980 vs. 1980-2014

Source: Adapted from Thomas Piketty, Emmanuel Saez, and Gabriel Zucman (July 6, 2017), Distributional National Accounts: Methods and Estimates for the United States. See Figure S.40 and Table S.7.
hanging and transportation, health care and child care. Food is the most flexible item in a household budget, which is why hunger is usually episodic. It shows up after fixed costs are paid—when monthly SNAP benefits are exhausted but the next paycheck has not yet arrived.

Policies can improve opportunities for low- and modest-income workers

The economy has undergone profound changes in the last several decades related to trade, technology, and globalization. The average worker has been buffeted by fast-paced shocks with little to no help from government in navigating and adjusting to the new economy.

Government has a role to play in protecting and supporting workers while ensuring that markets function efficiently. This report discusses many policies that would improve the job prospects of low-income Americans. A good place to start is the minimum wage. The federal minimum wage, currently set at $7.25 an hour, has not been raised since 2009. When adjusted for inflation, it is worth 27 percent less today than it was 50 years ago. A higher minimum wage has a gravitational pull on what workers in all low-wage jobs are paid. David Cooper of the Economic Policy Institute estimated that if the federal minimum wage was $9.25 per hour, rather than $7.25, eighteen million workers would likely benefit—most earning above the minimum wage—due to the ripple effects.

Public investment in infrastructure should include investments to connect workers in communities of concentrated poverty with jobs. Public transportation can connect job seekers in distressed urban communities with wider regional opportunities. In rural areas, high-speed internet can expand opportunity and overcome barriers to jobs, education, and social services. The poorer the community, the weaker its infrastructure. Investments in human infrastructure—for example, child nutrition and child care—are

Figure 2 The Federal Minimum Wage Would be Much Higher if it Had Kept Up With a Growing Economy

cost-effective investments in the current and future workforce (see Box 1).

Men who have been incarcerated account for as many as one-third of all nonworking men between the ages of 25 and 54. They are one of the populations in our society most vulnerable to hunger and poverty. Most are fathers who want to support their children. But they are subject to a lifetime of prejudice and employment discrimination. The American Bar Association has documented 38,000 statutes nationwide that apply to individuals with criminal records—more than half of which can be used to deny employment. Some members of Congress from both parties agree that more needs to be done to remove the barriers and address the labor market challenges that formerly incarcerated people face. Sentencing reform legislation could reduce the extent of incarceration and strengthening prison programs could prepare inmates to re-enter the job market. A nationwide infrastructure initiative could be a new source of jobs for these returning citizens.

Undocumented immigrants are another group especially vulnerable to hunger and poverty, despite their higher rates of employment and entrepreneurship compared with the rest of the U.S. population. Undocumented immigrants are more likely to be the victims of wage theft than any other group of workers. A common form of wage theft occurs when employers pay less than the minimum wage. Employers can take advantage of undocumented workers, knowing that they are unlikely to report a violation for fear that drawing attention to themselves may put them at risk of deportation. Notwithstanding the heated rhetoric around immigration policy, polling consistently shows that most Americans support immigration reform that includes a path to citizenship for people who are undocumented.

Reducing poverty in developing countries can contribute to economic opportunity for all Americans

In recent decades, as global poverty rates have fallen, developing countries have become much more integrated into the global economic system. The tremendous reductions in hunger and poverty in developing countries are directly related to the opening of their economies to international trade. U.S. development assistance and private sector investment have been contributing factors.

In the United States, trade has tripled as a share of the national economy, and the driver of that growth has been trade with developing countries. In 1985, developing countries were the destination of 29 percent of U.S. exports. Today, they make up approximately half the market for U.S. exports, and as poverty and hunger rates around the world continue to fall, we can expect the share of trade with developing countries to

The economy’s most valued asset is its human infrastructure

Medical research has shown that good nutrition early in life is one of the smartest, most cost-effective investments that any nation can make to help children excel in school and later as adults entering the workforce. The 1,000 days between pregnancy and a child’s second birthday are especially critical. The effects of hunger and malnutrition during this period are largely irreversible. This underscores the importance of investments in federal nutrition programs, but also in policies such as paid family leave and flexible scheduling that make it possible for parents to provide the nurturing care that children need to achieve their full potential.
continue to rise. To put it simply, new consumers in these countries will have more money to spend on imported goods from the United States and other countries.

Economic growth from trade creates jobs in the United States. But we cannot overlook the fact that trade has harmed some American workers, particularly in the manufacturing sector. Surveys show that most Americans blame poorly designed trade agreements for the decline in U.S. manufacturing jobs. This is partly true, but not the whole story. Compared to other high-income countries, the United States invests a much lower share of national income in helping displaced workers adapt to the changing global economy. The United States also invests less in the health, education, and economic security of its people.

Most important is the failure of government policies to ensure that all U.S. jobs pay a living wage. Many U.S. workers are frustrated by their shrinking paychecks—and it is this frustration, in part, that is contributing to a zero-sum mentality and weakening support for U.S. global leadership against hunger and poverty. Continued progress against hunger and poverty at home and abroad depends on improved job opportunities for U.S. workers, beginning with renewing their faith in an American Dream that is accessible to all.

There are multiple reasons why the United States should not relinquish its leadership role in global development. U.S. investments over several decades have spurred remarkable progress against hunger and disease. The United States has led the fight against HIV/AIDS and supported innovations in vaccines, agricultural inputs, nutrition, basic education, and improved outcomes for women and girls. The pace of change has been nothing short of historic, leading all nations of the world to adopt a set of Sustainable Development Goals (SDGs). Among them are goals to end hunger and extreme poverty by 2030.

Achieving the SDGs will not be easy. It will require extraordinary effort from all sectors and all countries. The challenges facing developing countries remain daunting. Without continued investment, the progress will be difficult to sustain, and we may see backsliding. The World Bank estimates that an additional 1.6 billion jobs will need to be created over the next 15 years to absorb the rising number of young people entering the labor force, most of them in sub-Saharan Africa and South Asia. Tens of millions of youth without a way to earn a living is a recipe for civil strife. The majority of chronically hungry people live in countries affected by conflict (see Figure 3). “Development is a lot cheaper than sending soldiers” is an often-quoted remark by former U.S. Secretary of Defense Robert Gates. In fact, America’s most trusted military leaders rarely lose an opportunity to champion the role of development assistance in U.S. foreign policy.

Figure 3 The Majority of Chronically Hungry People Live in Countries Affected by Conflict

Sources: Adapted from FAO, IFAD, UNICEF, WFP, and WHO (2017), The State of Food Security and Nutrition: Building resilience for peace and food security.
Through advocacy and political engagement, citizens have the power to bring about change

Rising inequality, declining economic mobility, and stagnant wages among low- and middle-income families have eroded faith in democratic institutions. Politics seems stacked in favor of those who have the resources to buy influence in government. This may have been how it always was, but the sharp rise in income inequality has exacerbated the impact of the increased role of money in politics.

The big tax cut of 2017 is an example of how corporations and high-income people successfully used money to influence Congress. According to the Tax Policy Institute, 83 percent of the direct benefits from the tax cut will go to the top 1 percent of the income distribution. The bill has been promoted as a way to improve job opportunities for working Americans, and some of the money may indeed trickle down. But a tax cut for corporations and high-income people is clearly not the best way to improve job opportunities for working Americans.

Government sets the rules that shape our daily lives, and our democracy gives us a say in establishing those rules. The solutions to the dysfunctionality of U.S. politics must come mainly from us—we, the people. We can be involved as citizens through legislative advocacy (telling our members of Congress what we want them to do on specific issues) and elections advocacy (getting in on the ground floor).

Bread for the World has been organizing churches and Christians to urge Congress to take actions that are important to hungry people for 44 years. In its early years, Bread for the World played important roles in establishing the WIC (Women, Infants, and Children) nutrition program and child survival programs around the world. Bread for the World and other faith-based and civil society partners have protected funding for domestic anti-poverty programs and won consistent increases for international development assistance.

Many times, we have been struck that our advocacy has been able to transcend bitter partisanship and overcome powerful political interests. We’ve seen that even small numbers of conscientious, committed citizens can often sway the votes of members of Congress. Whether they are liberal or conservative, members of Congress often pay attention when voters back home urge them to do the right thing for hungry people.
Chapter 1: You Can’t Feed a Family on These Wages establishes why job creation and job quality are so important to ending hunger and poverty in all countries by 2030. It addresses the causes and consequences of wage stagnation in the United States, showing that most workers have not shared in the gains of a prosperous economy, leading to rising inequality. Progress against hunger and poverty in the United States in recent decades is primarily due to government assistance, such as SNAP and the EITC, rather than to increased earnings. In contrast, rapid progress against hunger and poverty in low- and middle-income countries is mainly due to increased earnings. But income inequality in developing countries, just like here in the United States, threatens to slow progress against hunger and extreme poverty. Ending hunger and poverty will depend on how successfully these countries can create enough jobs to meet the demand for work from their growing youth populations, and tackle rising income inequality.

Chapter 2: Rebuilding Shared and Sustained Prosperity focuses on government policies that can foster strong economic growth in the United States, while also ensuring the economy leaves no one behind. Improvements in the nation’s infrastructure present some of the best opportunities to boost economic growth in the short term and lay the foundation for higher productivity over the long term. Well-targeted infrastructure investments could provide many jobs in areas that need them. Smarter government policies to deal with climate change and immigration are also discussed in this chapter. Failure to come to terms with these critical issues is a direct threat to sustained prosperity—while proactively addressing the challenges can lead to equitable and sustainable economic growth and prepare the United States for the economy of the future. This chapter calls for a stronger policy response to counter systematic barriers that perpetuate gender- and race-based disparities in pay and employment, and shows how more can be done to encourage employers to recruit disadvantaged groups in need of jobs, such as formerly incarcerated people and out-of-school-and-out-of-work youth.

Chapter 3: Creating Opportunity in Communities of Concentrated Poverty addresses the need for targeted responses in U.S. communities that are chronically depressed—regardless of how well the national economy is doing. Where people live can facilitate or impede the opportunities they have. Public and private investment can do more to spur job creation in these distressed places and to connect job seekers to wider regional opportunities. Infrastructure comes up again in this chapter. The poorer a community, the less likely it is to have the infrastructure needed to reduce poverty and create jobs. This chapter considers how place-conscious solutions in metropolitan and rural areas have many similarities but also some differences. The chapter gives special attention to how living in high-poverty communities undermines the capacities of children to reach their full potential. Communities in the United States are more segregated than ever by income and race. Racial segregation is one of the strongest predictors that a child born into poverty will be living in poverty as an adult.
Chapter 4: The Dignity of Work affirms the time-honored principle that all workers, regardless of their status and income, should be treated with dignity and respect. The chapter is focused on workers in the United States, but the dignity of work is universal. In 2015, when world leaders embraced the SDGs, including goals to end hunger and poverty, they agreed on a bedrock principle of dignity for all. Workers in low-paying jobs suffer a host of indignities, from wages so low that they live in poverty and lack of benefits, to wage theft and other labor violations. This chapter emphasizes that the jobs challenge is about more than providing enough jobs, it is also about job quality. Dignity extends to workers who have lost their jobs and are struggling to find their way back into the labor market, and to retired workers, who often face economic insecurity.

Chapter 5: Shared and Sustained Development in an Interdependent World shows that U.S. leadership in global development has been a win-win for people in the United States and around the world. It has contributed to a dramatic reduction in global hunger and extreme poverty. But some U.S. workers and communities justifiably feel threatened by competition from low-wage countries, so policies that improve job opportunities and well-being for all Americans are important to continued U.S. leadership against hunger and poverty worldwide. Over the next several years, hunger and poverty will be increasingly concentrated in conflict-affected fragile countries. U.S. development and humanitarian assistance can be tools to help build resilience and prevent conflict. The growing youth population and rapid urbanization in developing countries could be a huge opportunity or a huge challenge. Young people need meaningful jobs that provide them with dignity and sufficient income to provide for their families. This chapter shows how the United States can be more effective in helping low-income developing countries promote livelihoods for their people and continue progress against hunger.

The 2018 Hunger Report concludes with a call to action from Bread for the World and Bread for the World Institute President David Beckmann. The skewed distribution of U.S. income growth has distorted our politics. The increasing power of money in politics and middle-class frustrations has both made it harder to achieve public policies that could end hunger and, in other ways, contribute to the common good. The solutions to the dysfunctionality of U.S. politics must come mainly from us—we, the people. Government sets the rules that shape our daily lives, and our democracy gives us a say in establishing the rules. Bread for the World is one example of citizen activism.

Hunger and jobs are bipartisan issues. The Jobs Challenge provides many actionable recommendations for policies that would improve the lives of hardworking people in the United States and around the world.
POLICY RECOMMENDATIONS

Make the economy more inclusive:
• Consistently emphasize jobs in macroeconomic management.
• Restore a progressive system of taxation, including tax credits for all low-wage workers.
• Improve the nation’s infrastructure to spur productivity growth and job creation.
• Invest in “human infrastructure” (for example, early childhood and nutrition programs, schools and job training, health care).
• Reduce our country’s extraordinarily high rate of incarceration—in the process, reducing the cost of prisons and getting more people into the job market.
• Enact legal protections for undocumented immigrants so that they can move into better jobs and contribute more to our national economy.

Connect communities of concentrated poverty to opportunities:
• Improve public transportation to connect job seekers in distressed urban communities with regional opportunities.
• In rural areas, invest in high-speed Internet to overcome barriers to jobs, education, and social services.
• Strengthen institutions that provide financial services to small businesses and entrepreneurs.

Promote the dignity of work:
• Increase the minimum wage, with future increases linked to inflation.
• Improve working conditions for low-income workers—the right of workers to form unions, protection against wage theft, guaranteed paid family and medical leave for all workers.
• Strengthen unemployment insurance and programs that help unemployed people get back into jobs.

Continue U.S. leadership on international policies that foster shared prosperity in the United States and worldwide:
• Maintain U.S. leadership on international issues such as trade, climate change, and the Sustainable Development Goals.
• Strengthen U.S. assistance, with emphasis on fragile states, agriculture and nutrition, youth employment, gender equity, and local capacity building.
Religious Leaders’ Statement

As leaders of churches and Christian organizations in the United States, we give thanks to God for the progress made against hunger and poverty in recent decades. We recognize that to reach the goal of ending hunger and poverty by 2030, as enshrined in the Sustainable Development Goals, it is necessary to address challenges that workers face around the globe.

*The kingdom of heaven is like a landowner who went out early to hire laborers for his vineyard. After agreeing with the laborers for the usual daily wage, he sent them into his vineyard.* —Matthew 20:1-3

We affirm the dignity of workers and their right to a just and fair wage. Labor is part of the creative and generative work of God that brings dignity to all people—yet workers earning poverty-level wages experience a variety of indignities, such as the denial of benefits, unsafe working conditions, wage theft, and other labor violations.

*When he went out again about noon, and about three o’clock, he did the same. And about five o’clock, he went out and found others standing around, and said to them, ‘Why are you standing here idle all day?’ They said to him, ‘Because no one has hired us.’ He said to them, ‘You also go into the vineyard.’* —Matthew 20:5-7

We affirm the need for investments in distressed communities. There are significant barriers to work in communities with high concentrations of poverty—such as lack of public transportation, high-speed Internet, and other vital infrastructure—that depress local economies and lead to high rates of unemployment.

---

**SIGNATORIES**

Mr. Marv Baldwin  
*President and CEO*  
Foods Resource Bank

Dr. A.D. Beacham, Jr.  
*General Superintendent*  
International Pentecostal Holiness Church

David Beckmann  
*President, Bread for the World*

Sr. Simone Campbell, SSS  
*Executive Director*  
NETWORK Lobby for Catholic Social Justice

Mr. Patrick Carolan  
*Executive Director*  
Franciscan Action Network

Dr. Iva Carruthers  
*General Secretary of the Samuel DeWitt Proctor Conference*

Mr. Noel Castellanos  
*President*  
Christian Community Development Association

Ms. Paula Clayton Dempsey  
*Director of Partnership Relations*  
Alliance of Baptists

Mr. Jonathan Duffy  
*President*  
Adventist Development and Relief Agency International

Rev. Elizabeth A. Eaton  
*Presiding Bishop*  
Evangelical Lutheran Church in America

Rev. Dr. Jeffrey Haggray  
*Executive Director*  
American Baptist Home Missions

Rev. Dr. Susan Henry-Crowe  
*General Secretary*  
The United Methodist Church - General Board of Church and Society

Sr. Carol Keehan, DC  
*President/CEO*  
Catholic Health Association

Mr. John Lyon  
*President*  
World Hope International

Rev. Carlos L. Malavé  
*Executive Director*  
Christian Churches Together

Sr. Donna Markham, OP, PhD  
*President and CEO*  
Catholic Charities USA
When evening came, the owner of the vineyard said to his manager, ‘Call the laborers and give them their pay, beginning with the last and then going to the first.’ When those who he hired about five o’clock came, each received the usual daily wage. Now when the first came, they thought they would receive more; but each of them also received the usual wage.’—Matthew 20:8-11

We affirm investments that leave no one behind. People who are part of disadvantaged groups have valuable contributions to make to their communities. Investments in human capital provide opportunities for them to grow into their God-given potential—investments such as job training for youth neither in school nor working, those who were incarcerated, and those living with disabilities

‘I am doing no wrong; did you not agree with me for the usual daily wage? Take what belongs to you and go; I choose to give to the last the same as I give to you. Am I not allowed to do what I choose with what belongs to me? Or are you envious because I am generous? So the last will be first, and the first will be last.”—Matthew 20:13-16

We affirm partnerships among business and faith leaders, entrepreneurs, government agencies, and workers themselves that will strengthen communities and families around the world. The global economy is complex and often pits workers across the globe against each other. We believe in a God of abundance who calls us to see beyond this zero-sum approach to economic development.

We affirm sustainable development in the United States and around the world that can move us to end hunger and extreme poverty by 2030.
2018 HUNGER REPORT

The Jobs Challenge:
WORKING TO END HUNGER BY 2030

CO-PUBLISHER
Margaret Wallhagen and Bill Strawbridge

PARTNERS
The Adventist Development and Relief Agency (ADRA)
American Baptist Churches USA World Relief
Canadian Foodgrains Bank
Catholic Relief Services
Christian Church Foundation (Disciples of Christ)
Christian Methodist Episcopal Church
Christian Women Connection
Church of the Brethren
Community of Christ
Cooperative Baptist Fellowship
Covenant World Relief/
Evangelical Covenant Church
Evangelical Lutheran Church in America
Food and Agriculture Organization (FAO) of the United Nations
Foods Resource Bank
Independent Presbyterian Church Foundation
National Baptist Convention, USA, INC
Nazarene Compassionate Ministries
United Church of Christ
Women’s Missionary Society of the African Methodist Episcopal Church
World Renew
World Vision