

Matthew Desmond On America's Addiction to Poverty

The Pulitzer Prize-winning sociologist examines America's reliance on exploiting the poor.

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[MUSIC]

Ezra Klein

I'm Ezra Klein. This is "The Ezra Klein Show."

"Books about poverty tend to be books about the poor." Matthew Desmond writes that in his new book about poverty, "Poverty by America." But "Poverty by America" is supposed to be something a bit different. It's a book about everyone who benefits from the poor, their existence, their exploitation, all the people more comfortable with the perpetuation of poverty than what would be demanded of them for its abolition.

So this is a book, in other words, not so much about the poor as it is about the rest of us. Desmond is a sociologist at Princeton. He's the author of the Pulitzer Prize-winning "Evicted," and "Evicted," which was a book about housing markets, particularly for the poor — it was a smash hit. It was beloved by Desmond's fellow social scientists.

His new book has been a lot more controversial, in part due to disagreements about the way he reads the poverty data. And so we talk about. That there's a good, wonky bit here about how to measure poverty.

But I also want to keep people focused on the big picture here — America has a lot of poverty. It could, if it chose, have much, much less poverty. So the question of why that choice isn't made year after year — that is really a question worth asking. As always, my email, ezrakleinshow@nytimes.com.

Matt Desmond, welcome to the show.

Matthew Desmond

Oh, it's great to be here.

Ezra Klein

So I want to begin with you because something you say in the book, which I didn't realize from past work, is that you come at the subject from really your own perspective. Tell me a bit about your own history with poverty and how it led you to this inquiry.

Matthew Desmond

I grew up in a little railroad town in Arizona, Northern Arizona, Winslow, which is an Eagles song. And my dad was a pastor, and we never had a lot of money. Things were tight. Our gas got turned off from time to time.

And then we lost our home when I was in college, and I think that experience worked its way inside of me, made me see how poverty diminishes and stresses a family. And then I kind of took that to Milwaukee for my last book and followed families getting evicted and saw a level of poverty that I've just never seen before or experienced.

I saw grandmas living without heat in the winter, just piling under blankets. I saw kids getting evicted on a routine basis, and I kind of saw a hard bottom layer of deprivation that was just shocking and disturbing.

Ezra Klein

You mentioned losing your family's home when you were in college, and that brings up the book that other people may know you for earlier, "Evicted." but for people who aren't as familiar with that dimension of your work, tell me a bit about that book, the nature of the research that led to it, and how, in a large scale way, it changed your thinking on the structure of American poverty.

Matthew Desmond

So for "Evicted," I moved into a mobile home park on the South Side of Milwaukee, Wisconsin, and I lived there for about four or five months. And then I moved into a rooming house on the North Side of the city. It's the inner city of Milwaukee.

And I lived there for about 10 months and, from those two neighborhoods, followed families getting evicted and went everywhere with those families, followed them to eviction court and to shelters, abandoned homes, watched their kids, slept on their floor, ate from their table, went to a bunch of funerals, went to a birth.

But I also recognize that if I wanted to understand how the low-income housing market worked, I needed to get close to landlords, too. So I got just as close to landlords doing the evicting as I did with tenants getting evicted, and I helped them pass that eviction notices and fix up their properties. And I learned a bit more about what makes landlords tick and what ticks them off.

And “Evicted” is the result of that work, and it’s a way of saying, look, if we’re going to understand inequality in America today, we have to understand the human cost of the housing crisis. And for me, seeing that toll on people, seeing folks lose not only their homes but their neighborhoods, kids losing their schools — families often lose all their stuff, which is piled on the street by movers or taken by neighbors. It takes so much time and money to build up at a home, and eviction could just delete all that.

Eviction comes with a mark, a blemish. It’s a court order, and that can prevent you from moving into a good neighborhood and a good home because many landlords see that blemish and say no. So we pushed those families into bad neighborhoods, and we pushed those families into really degrading housing situations, and on and on it goes. And I think that my conclusion was that eviction isn’t just a condition of poverty. It’s a cause of poverty. It’s making things worse.

Ezra Klein

It can be easy — and I’m certainly guilty of this at times — to try to apprehend questions like eviction, like poverty by reading some big policy reports, by looking at macro data, by trying to follow the lines on a chart. You do a bunch of that in this book, and you’ve done a bunch of that in your work. And there is a dimension of your work that is quite quantitative. But what do you think you see differently when you actually immerse yourself in it? What looks different from the ground than from the appendix table?

Matthew Desmond

I think that it means that I'm accountable to folks that are struggling in a different way. In the university, there's this old line that you have to have some distance and some objectivity to study a problem with rigor and truthfulness, and distance is not the problem of the university. We have plenty of distance.

And I think when you get proximate to families that are enduring a level of hardship that so many of us can't even imagine, it really washes over you. It makes you accountable to the problem in a different way. I think we can write about these issues with conviction, and rigor, and truth and about people who we love and care about deeply.

So in this new book, I write about my friends, and I call them my friends. I don't call them my research subjects because they're not. They're people that I've done a lot of life with.

And I think that experience not only is incredibly educational — I learned so much from just being on the ground with folks that are struggling, but it's also this amazing reminder how beautifully, and elegantly, and gracefully people refuse to be reduced to their hardships, how poverty has not stolen folks' humanity.

Ezra Klein

Tell me a bit about the scale of the poverty problem in America today. How would you describe it?

Matthew Desmond

There is so much poverty in this rich land. If you just look at the official metric of poverty, there's 38 million of us that can't afford basic necessities, which means if folks below the official poverty line formed their own country, that country would be bigger than Australia. It would be bigger than Venezuela.

But the poverty line is very low, and there's plenty of economic hardship above the poverty line. one in three people in America live in a home which is bringing in \$55,000 or less, one in three of us. Now, many of those aren't officially counted among the poor, but what else do you call like trying to get by on 55k or less and raising two kids in like Portland or Miami?

But poverty is not just a line. It's not just an income level. Poverty is often pain and sickness. It's living in degraded housing. It's the fear of eviction. It is eviction and the homelessness. It's getting roughed up by the police sometimes. It's schools that are just bursting at the seams.

It's neighborhoods where everyone around you is also struggling. It's death, death come early, death come often. So for me, poverty isn't a line. It's this tight knot of agonies, and humiliations, and social problems, and this is experienced by millions of us in the richest country in the history of the world.

Ezra Klein

How has it changed over time?

Matthew Desmond

So it depends what metric you use. If you look at the official poverty line, it hasn't changed a lot — 1973, 50 years ago, there was 11 percent poverty, in 2018 12 percent, not a lot of change.

But the official poverty measure is flawed. It doesn't account for a lot of regional variation and housing cost. It doesn't count certain kind of government programs like food stamps, housing assistance. So in 2011, the Census launched a new poverty measure, the Supplemental Poverty Measure, and researchers at Columbia figured out a way to take that new poverty line and stretch it out over time.

And when you do that, you kind of come to the same conclusion. The supplemental poverty line, historically, in 1973, was 15.1 percent. In 2013, 40 years later, it was 15.5 percent. In 2018, it was 13 percent, so it had dipped down a little bit. That's just not a lot of progress.

In Covid, the Supplemental Poverty Measure plunged, plunged to historic lows because of this bold relief that was issued by the federal government, things like the Child Tax Credit and Emergency Rental Assistance, but over the long view, a lot of measures are showing poverty being incredibly stubborn and stagnant.

Ezra Klein

One thing about the Supplemental Poverty Line, which I've seen really frustrating a lot of people who work on the poverty issue and I think are aligned with you on solutions is that where you start those dials really ends up mattering.

So you look at 1967. You see poverty falling from 25 percent then to about 8.4 percent in 2020 amidst all that stimulus spending. I think this matters because there's real question as to whether or not these government programs are effective. You'll hear people on the right say constantly, the Great Society did nothing. You spend more money on poor people, you get more poor people.

And the Supplemental Measure and some other measures that measure consumption do seem to show pretty sharp and significant drops over time. So defend for me a little bit more of this idea that there's not been real progress, which is different than not enough progress.

Matthew Desmond

Yeah, this is hard, and I think that we should all confront the problem of counting poor families with a lot of humility, a lot of curiosity. So one way to think about this is to say, OK, if poverty has declined, have other hardship measures also declined? If we're seeing falling rates of poverty, we should see falling rates of eviction. We should see debt going down. We should see homelessness going down.

But in recent years, we haven't seen that. Since 2000, eviction filings have increased by about 22 percent. Since 2000, the share of families who visit food pantries have increased by almost 19 percent. The number of homeless public school kids in America has increased by over 74 percent since the Great Recession.

Since the late 1990s, the number of families reporting no cash income but drawing on food stamps has more than quadrupled. These are really troubling signs on the horizon, and it suggests that measures that are showing a decline in poverty might be out of touch with the lived experience of hardship in America today.

We can also dig into those measures if you want to and kind of look under the hood and say, well, how can they show a decline and this other one doesn't? Like what's going on? I'm happy to go there if you want to.

Well, a little bit because one thing I do want to check in on there is, you can have problems that correlate but don't cause each other or don't tell you as much as you want to know about each other.

So there is a great book, "Homelessness is a Housing Problem," and one of the points they make is that you have a bunch of urban areas with very high rates of poverty with very, very low rates of homelessness, so Detroit, Philadelphia. You have places with quite low poverty rates, or at least relatively so, so Santa Clara County, San Francisco, and they have really quite high rates of homelessness.

So that suggests to me that when you're looking at homelessness, which, as you say, has been quite on the rise recently, you're dealing with a housing supply problem and a housing prices problem that might be distinct from a lot of the poverty problem.

The point is often made here in San Francisco, where I currently live, that West Virginia — it has very high poverty. It has very high rates of the things people blame for homelessness here, like drug addiction and mental illness. But it doesn't have the homelessness problem we do, so rolling those all up into one set of social maladies can obscure more than it's really revealing.

Yeah, I think there's something to that, but it's not just homelessness right that's going up. Debt has gone up, bad debt. Just the number of families reporting that they are having a hard time paying their mortgage or their rent has grown amazingly, enormously since 2000. So I think there's a lot of things on the horizon besides homelessness that do suggest that there is quite a lot of hardship as experienced on the ground level.

And I hear you on the political ramifications of this debate. There's this text and the subtext, and a lot of folks say, well, look, if you don't believe that poverty has declined, aren't you also saying that government spending doesn't work? Because government spending on anti-poverty programs has actually increased over the last 40 years, so what's going on?

And I think that it's a complicated story, but it's one we have to embrace. There's a paradox here that's incredibly important. On the political liability side — there's liability on both sides. So Reagan famously said, we fought the war on poverty, and poverty won. There's nothing we can do to address poverty in America.

And then you fast forward to the Trump administration, and in 2018, the Trump Council of Economic Advisors issued this report enthusiastically embracing work requirements for some welfare programs based on this claim that poverty has gone down so much we can stop fighting it.

So it's kind of like, Reagan's like, we fought the war on poverty. Poverty won. And Trump was like, we fought the war on poverty, and we won. But they both had the same conclusion. So I think there's political landmines on both sides of the thing.

I think what's happening is that we're spending more to stay in the same place because some of the fundamentals of American society, the job market and the housing market, are not doing their job basically to help reduce poverty in this country.

Ezra Klein

I want to hold on that for a second because I think that's very profound. You talk a lot in the book and we're going to talk broadly about this question of exploitation, and one thing reading the book got me thinking about is, to take the housing market as one example, the connection between exploitation and broken markets.

Now, I don't want to say that you can only exploit people in a high housing market because clearly that's not true, but the more you shift power in a market to, say, landlords because maybe you have way too few housing units the more they can discriminate, the more room they have to push really, really high prices on people.

And so there's this kind of consistent problem, I think, for progressives where we'll put a lot of money into something — maybe it'll be housing, or health care, or whatever — but we won't open up supply of that thing. In some cases, we'll even constrict supply of that thing like we do in San Francisco with housing. And then when you do that, you can give people all the money you want. You can give people

all the Section 8 vouchers in San Francisco you want. You're not going to house all that many people because there aren't enough houses.

And so there is this way, I think, in which, on the one hand, I'm very big on the view that you can solve poverty with money. You could choose not to have poor people by simply doing something like a negative income tax that gave people the amount of money they need to be over the line.

But if you don't open up the markets of things they need, then that money is just going to get pocketed by people who can charge them more and more for goods they can afford but can't yet access.

Matthew Desmond

That's absolutely the case. And I think that is a real recipe for spending more to stay in the same place. And if you look at federal housing assistance, look at the budget from 2001 to 2019, federal housing assistance increased by 16 percent in real terms, so like a deeper investment, a bigger investment.

So does that mean that the number of families served by that program increased by that amount? No, it doesn't. In fact, it hasn't increased at all over that time. That number served by federal housing assistance has hovered around \$4.5 million families, \$4.5 million in 2001, \$4.5 million in 2019.

So why? What's going on? And it's for the reason you suggest, because some of our biggest affordable housing programs are relationships with markets. We're going to give you a housing voucher. You're going to live on the private market, and we're going to reduce your rent. Or we're going to subsidize private development.

And, adjusting for inflation, median rent has increased by 15 percent over that same time period, so this is one way we can make deeper investments and kind of stay in the same place. It's kind of like, if you're a doctor and your patient is stable, then you can dose that patient a little bit and bring them to health and let them leave.

But if that patient starts to decline, you have to dose more and more and more just to get them into this stable place, and I think that's a story of what's happened to poverty in the last 50 years in our country.

This gets it something, too, that I think is kind of poisonous in the way we talk about poverty policy, which is that not all government programs are equal. They're not the same. They don't work, even, similarly.

And while we were preparing for this interview with you, my team talked to Luke Shaefer, who's a great poverty scholar who you draw on in some of your own work. And he made this point that — so we were talking earlier about how it really matters what you're looking at to see if we've made progress on poverty, and one remarkable thing is we made a lot of progress on poverty during the pandemic, a point you make in your book as well.

And Shaefer's point was that you should think about the pre-covid welfare state, the sort of welfare state we erected over the 25 years before, and then what we did in government programs in 2020 and 2021 as truly distinct errors of policy-making, that it's not just all government programs, more or less.

And in that break, we saw something pretty important about what works and what doesn't. So I'm curious — because you look at the story, too, how you tell the story of what was different, and what we did during Covid, and why it worked versus what we've done before to see less profound effects.

Matthew Desmond

I think the dose was different. The dose was different. And the level of investment was so much deeper during Covid. The expanded Child Tax Credit was a much deeper investment, and then in my world, in housing affordability land, the rental housing assistance that came after the Eviction Moratorium — that was like the deepest investment the federal government has made in the lives of renting families since the invention of public housing, basically.

The government spent \$46 billion, which is basically a doubling of HUD's budget. It kept evictions lowest that they've ever been on record months, and months, and months, and months after the Eviction Moratorium lifted.

There's this study by Thomas Blanchet, Emmanuel Saez, and Gabriel Zucman, and they estimate that after the Great Recession in 2008, families in the bottom half of the income distribution had to wait 10 years — 10 years — for their incomes to return to pre-recession levels. And after this recession, those families waited just a year and a half. It was just night and day difference between these two hard moments.

Ezra Klein

One thing we did do — and the Child Tax Credit, I think, was a good example of this — was we made these programs easy, at times even automatic, to get. And something you talk about in the book is there's this widespread narrative of government dependency, that the poor are all lining up at the local welfare office for a handout.

And you say, I wish people were more dependent on these programs than they are, because take-up rates are incredibly low. I think this is a pretty poorly-known fact about a lot of this policy work, so could you talk a bit about what some of the numbers are in terms of program usage among people who, in theory, would benefit from it and should get it and why you think that is?

Matthew Desmond

So in the pandemic, we heard so much about welfare dependency. We heard this story over and over again that people were staying home because we are paying them to stay home. But the evidence really didn't bear that out.

When states got rid of some of the extra benefits, like the extra unemployment insurance, and other states didn't, the states that removed the benefits didn't suddenly see their job numbers jump up. It was basically a tie between the states that kept the benefits and the states that got rid of them.

And if you look in the data, the much bigger problem is welfare avoidance, the fact that there's families across the country that are leaving like real serious money on the table with respect to — A, that they do not take advantage of. And so one in five of poorly-paid workers who qualify for the Earned Income Tax Credit, this kind of

one-year bump that lifts millions of folks out of poverty every year — one in five do not take it. They leave \$17 billion on the table every year.

Most elderly Americans who qualify for food stamps do not sign up for them, and on and on it goes. And if you add up the money left on the table in those kind of programs and folks that pass on government health insurance, and unemployment insurance, and Supplemental Security Income, for example, you realize every year over \$140,000,000,000 — like billion with a B — is left on the table by families not getting connected to programs that they need and deserve.

So why? What's going on? So we used to think it was stigma, that folks were too proud to apply for some of these programs, and there is something to that. If anyone has ever spent a day in a welfare office where you've got to spend like half a day for a 10-minute appointment, there is a degradation ritual that still is very much alive and well today.

But there's a lot of evidence that suggests stigma isn't really the main story. The take-up rates for food stamps, for example, vary widely across state lines. Almost everyone in Oregon who qualifies for food stamps receives them, but in California, is only about 63 percent. So it's not that food stamps are more stigmatized in California than Oregon. Something else is going on.

And the thing that's going on is we've made these programs difficult to apply for. We've made it painful. We kick people off the rolls every year if they don't apply right. So that's the thing that's really driving it.

We haven't put enough effort into making these programs accessible and easy to apply for, and to me, this is outrageous because if we know how to do one thing in America, it's to market things to people and to get things to those people. And I just wish dedicated as much time and effort that we do getting us to buy potato chips and car tires than we do getting folks connected to these important resources.

Ezra Klein

But I think there's an important causal question there. So my wife, Annie Lowrey, is a writer at The Atlantic, and she does a lot of coverage of poverty and social policy. And she's done a lot of work particularly on what she calls the Time Tax, which is

something we're describing here, this way in which we make it incredibly hard to sign up for things, to qualify for things, to figure out what you're actually owed or eligible for.

But one of the big questions is, is that an accident? Did we simply forget how to market things, as you're suggesting? We know how to get you to buy toothpaste. In theory, we should be able to get you to take free money.

Or is this a policy choice? And there are different versions of it potentially being a policy choice. One version is, we use complexity because we don't want people to have things, either because we don't think they deserve them, or we think they should be humiliated in order to get them, or we think that it'll be better to keep the budget low by keeping them from it.

Or sometimes you see, I think, in blue states worries about fraud and defensibility, so you put a lot of energy into fraud-testing and means-testing because you're worried about getting attacked on the right. But however you slice that, there's this — I think a pretty profound question is about whether or not this is a policy mistake or, in the terms of the people who created it this way, a policy success, it's doing exactly what it is intended to do.

Matthew Desmond

I think it's hard not to see this as intentional, as by design. And when you look at what happens to other welfare programs where states have a lot of leeway about how they spend their money, they spend it in a lot of ways that don't have much to do with helping poor folks.

So if you look at welfare spending, the spending on TANF, we call it, the Temporary Assistance to Needy Families, cash welfare — so states get that money through a block grant, which is just a wonky way of saying, hey, states, here's some money, spend it as you wish. And man, states have developed a lot of creative ways to get that money out.

Maine spends welfare dollars on Christian summer camps. There are states that spend it on abstinence-only education, marriage counseling. For every dollar budgeted in cash welfare, only \$0.22 ends up in the pockets of a family.

I think that's by design. That's a very intentional move. Some states are just not spending the money at all. Tennessee, last time I checked, was sitting on over \$700 million in unspent cash welfare funds. Hawaii was sitting on so much that they could give every poor kid in their state \$10,000.

So you're right. It's not a red or blue state issue, but it is evidence of just our lack of moral urgency and commitment to connecting families with aid that eases their hunger and gives them some breath.

Ezra Klein

There's also a particular way that complexity, and long lines, and time, and hoops to jump through interact with poverty in a very specific way. Can you talk about what gets called the Bandwidth Tax?

Matthew Desmond

So the Bandwidth Tax is an idea that comes from a book called "Scarcity," which is by Sendhil Mullainathan and Eldar Shafir. It's a wonderful book, highly recommended. And they do all these experiments, compile all this behavioral, economic, and social-psychological evidence showing how poverty taxes your mind.

And the Bandwidth Tax is an idea that a lot of us have experienced ourselves. So if we've ever been incredibly late for a meeting and are rushing through traffic or we've had an emergency — our kid ends up in a hospital and that's the only thing we can think about — what they suggest is this mirrors poverty. This is what poverty is like, when you are just thinking, how am I going to pay the light bill? I just lost my job. I have the eviction notice.

That just captures your mind, captures your intelligence, really. And that Bandwidth Tax can often result in bad decisions that we wouldn't have made if we had a bit more space and slack in our lives.

Ezra Klein

I had Sendhil Mullainathan on the show back when I was at Vox, and first, I really think this is such an underreported-on issue. The way in which the thing you need to get out of poverty is time and intentionality and the kind of genius — it's much

harder to move up than to simply stay stable, and the way in which poverty saps exactly that from you.

But there's a statistic here that you use, too, that always sticks in my mind, which is the effect of being poor on cognitive testing is roughly the same as going without a night of sleep, that the kind of distraction and exhaustion of it — and we can measure this — is roughly the same as going without a night of sleep.

Something I noticed in myself is that the more tired I am, the more likely I am to make mistakes that are small and mistakes that can be quite big. I was tired not too long ago, and I bashed up a rental car. It was not great. And if I was in worse shape, the cost of that would have been a huge, huge, huge setback for me.

You tell a story in the book that I think goes pretty far in getting at this connection between poverty and exhaustion, and I'd like you to tell it but also talk a little bit about that more fundamental link.

Matthew Desmond

Yeah, I think you're talking about Julio Payes, who was a gentleman I met a few years ago in the Bay Area. And he was here on a work visa from Guatemala, and he was working two jobs full-time.

He would work the midnight shift, the night shift at McDonald's from — I think it was 10:00 p.m. to 6:00 a.m. And then he'd have a couple hours to shower and rest, and then he would go to a temp agency called Aerotech and go anywhere they sent him from 8:00 a.m. to 4:00 p.m. And then he would get home, sleep as much as he could, and then back to McDonald's. Each job paid minimum wage.

And he just didn't have a life. He was either working or sleeping. He told me, I feel like a zombie. And one day, his younger brother, who was eight at the time, went to Julio is like, how much for an hour of your time? I want to buy an hour of your time so you can play with me.

And when he heard his brother say that, he just wept, and not long after that, he collapsed from exhaustion in the grocery aisle of a supermarket. He was 24 years old.

And I think that looking really hard at a life like Julio's requires looking just at the sheer brutality of the labor market for so many Americans today and how he basically had to be superhuman just to scrape by in the Bay Area.

And I think that we should want work to be rewarded in this country, but we shouldn't have to be superhuman to avoid poverty, especially in a country with this much abundance.

Ezra Klein

This opens into the broader argument your book is making, I think, which is that if you take the position that poverty is a choice, that we could, with roughly, you calculate, \$177 billion a year, end it — in a lot of places you could find that money — you got to also ask then, why don't we? And given that we don't, who benefits? Who benefits from poverty?

And so maybe take the example of Julio. Somebody is benefiting from that work. Somebody is doing well-off of that. Whom?

Matthew Desmond

So the way we like to answer this question is usually to point to the guy that's just a little richer than we are, the guy just above us. But I think that the honest answer is a lot of us. A lot of us are benefiting from poverty in America.

Some lives are made small, like Julio's, so that others may grow. Many of us consume the cheap goods and services the working poor produce. Many of us are invested in the stock market, indirectly, directly.

Don't we benefit when we see our savings go up and up, even if those gains are often at the expense of someone like Julio? Many of us like lavish tax breaks that we get, tax breaks like the mortgage interest deduction, 529 savings, employment, health insurance savings, wealth transfer savings.

And we protect those investments. The country does so much more to subsidize affluence than to alleviate poverty. We starve anti-poverty spending because we clutch on to those benefits.

And then many of us continue to be segregationists. We live in segregated communities. We build walls around our communities in the form of laws, zoning restrictions, and we hoard affluence behind those walls. And our concentration of affluence has a side effect. It concentrates poverty outside of our walls.

So I think that, for me, there's so much poverty in America not in spite of our wealth but because of it. Many of us are connected to the problem, which means we're connected to the solution.

Ezra Klein

I was thinking about how this plays out, and it got me thinking about a piece I wrote back in 2021 called "What the Rich Don't Want to Admit About the Poor," and I think it gets it's something here about how this might work beyond a kind of mustache-twirling, like I love poverty and want people to suffer, which is, that was a moment where you had in the pandemic and for reasons both policy-oriented and epidemiological this very weird labor market.

You had a huge amount of government support for people. You had a lot of people not wanting to go to work either because their work was dangerous or because, with the enhanced unemployment benefits, it was a little bit more possible not to do a job that they hated or didn't pay them very well.

And one thing you saw right then was, putting aside how people feel about poverty or how they feel abstractly about wages, that when you begin to see the economic effects of a sharp increase on worker power at the lower end of the scale, there's a lot of sensitivity to those problems.

So the news filled up with reports of businesses and the small business owners saying, people are just lazy, they won't come take my jobs, nobody will take a job for \$10, \$12 an hour anymore. You get a lot of worry about inflation. And of course inflation can be a real problem, but we're very sensitive to it.

I remember reading a lot about how Ubers were too expensive now and Lyfts were too expensive now. And so it's not even that you have to ever think about poverty to think about it. It's that when costs start going up, labor costs, or good costs, or

service costs for people of more means, we get really upset and then, suddenly, programs they might be building shut off.

We talked about the Child Tax Credit, which was expanded during the pandemic, but it was only expanded for roughly a year. And in part, I think, due to inflation and due to a bunch of these other concerns, there was never political will to extend it. And so this very powerful anti-poverty program died.

And I don't think people say it died because we love poverty, but there was a sense — it was part of the political milieu at that point — that something's going wrong in the labor market. And you don't want to be adding a bunch more government support to it at a time when prices were rising and people weren't taking jobs. And so there's this way in which you never have to talk about poverty to end up talking about the conditions that keep people under its boot.

Matthew Desmond

The loss of the Child Tax Credit, the loss of Emergency Rental Assistance — this is so sad to me. It's so outrageous. Congress should have been terrified to take those programs away, but there wasn't an outcry. There wasn't a strong rally saying, this is the new normal that we want, let's keep this, this is the America that I want.

And it was so crestfallen, and you're right. Part of the reason was because we fell into these well-worn trails about how we talk about these things in abstract ways that really crush down on poor kids, poor moms and dads today.

If we just look at the inflation rhetoric, did we overheat the economy? Is that the lesson from Covid? We reduce poverty, but is this the side effect that we have to learn from? And so if you look at the data, wages don't seem to be the thing driving inflation. What seems to be the thing driving inflation is corporate markups, corporate profits.

A recent study out of the Kansas City Fed estimated that profit markups account for more than half of the inflation that took place in 2021, and that kind of price-gouging is just not normal, actually. If you look at the 40 years before Covid, labor costs were really the things that were driving price increases. Labor costs accounted for about 60 percent of price increases and corporate profits about 11 percent.

But then, since 2020, that trend reversed itself, where labor costs now account for only 8 percent of the inflationary pressure, and corporate profits are accounting for about 54 percent. So for me, the lesson isn't, OK, the next time around, let's not do so much to help the American people, or we can't make these deep investments without driving inflation. And the lesson for me is certainly not to clamp down on inflation. We have to ask middle, and working-class, and poor families to take the hard medicine.

I think the lesson is that if we want to get a handle on this problem, we have to get a handle on exploitation. So I like calls for increasing taxes on excess corporate profits. The government can even take a page out of its playbook from the 1940s and consider price controls. They have other tools in their toolbox, but the only thing we seem to be talking about is inflationary rates.

Ezra Klein

So I want to note that there's definitely a lot of disagreement on whether or not corporate profits are to blame for inflation, and without trying to parse it here, one thing that I think is kind of obviously true is that — let's say you just believe — and I think this is broadly believed at this point — that inflation is a demand problem. Most of the supply-side kinks have come out of the economy, and at this point, you have demand issues.

You can address demand issues in a lot of different ways. Something I've talked about before is you could put down what gets called a Progressive Consumption Tax. It isn't in any way complex to make it costly for richer people to spend more. That would be a tax increase but so, in a very direct way, is removing the child tax credit, a huge tax increase, effectively, on the poor, and the working class, and the middle class.

And it's always interesting to me that things like that — they never even get suggested. Economists are worried, and I think they are worried for legitimate reasons that you get a lot of weird effects from things like price controls or corporate profit taxes. But OK, if you want to do something broad-based, we know how to do progressive taxation. You can slow spending among people who have more money as opposed to slowing it among people who have less money.

But again, and again, and again, the things we choose to do are more among the people who have less money and hit them hardest as opposed to trying to concentrate the pain more. One of the things I always think is telling is that there's always this question of what kind of problem a society will and will not live with. What kinds of problems are you willing to allow to persist?

And something I definitely see — and I think it's reasonable to be worried about inflation, but something I definitely see is, we are not willing to have high prices. We are willing to have high poverty. And I don't think those two things are a direct tradeoff. But there is just the alarm with which people not wanting to take low-wage, crappy jobs is treated versus how accustomed the system is to poverty and is willing to live with it year after year, including child poverty.

It's really telling. The rubber hits the road on what you worry about when it happens or when it's ongoing, and we don't like prices rising for everybody. We're much more willing to take deprivation among some.

Matthew Desmond

That's right. And there's a part of me that feels, is this just who we are? Are we stuck with this? And there's a part of me that feels there is a shift going on in the American public where many of us don't want this deal anymore.

The recent polling on why poverty exists in America I think is very encouraging. It suggests that most Democrats and most Republicans now see poverty as a result of a structural problem, not a personal moral failing. And it's like that old Gramsci line where the old is dying but the new hasn't been born yet, and I think that one of the costs we pay, though, for all this poverty in our midst is emotional.

It feels icky. All this poverty and this profiting from other folks pain diminishes all of us, and I do sense that we, as a country, want to move to a different place. But part of that work just means recognizing how deeply implicated we are in this problem and stop kicking the can down the road right and just saying, well, poverty is the result of structural forces that kind of no one is responsible for. It's this Congress's fault. It's the super-rich's fault, or even, cruelly, it's the poor's fault.

Ezra Klein

But then you get to this question of why the Child Tax Credit wasn't sustained. So you talk to the Biden administration about this. And now they realize they misjudged, but what they thought would happen is if you put this giant tax credit that — by the way, it was a pretty universalist program. It didn't go to everybody, but it went to a lot of people.

You call in the book for programs that are designed to yoke people together as opposed to increasing resentment between classes, and they did design it that way. And they thought, no way is Congress going to let this kind of broad-based credit expire because people are going to be too pissed. It would be a disaster in the midterms if they did that. And they did, and the things we saw were, one, the Child Tax Credit wasn't that popular. When you polled it, it was not one of the most popular parts of their agenda.

And two, there weren't people out in the streets on it. There wasn't an effective mobilization on it, not even for the people who needed it the most. Why? What needs to be learned from that? What do you make of it?

Matthew Desmond

Actually, there are two lessons, I think. First is a kind of spiritual poverty among progressives, I think. I quote the theologian Walter Brueggemann in my book, and he says, liberals are really fluent in the language of critique and stumbling and the language of repair or celebration. When I read that, I thought, man, he's on to something there. I think that there is kind of a chic nihilism or a criticality that many progressives or liberals just in general are much more comfortable with than saying, this thing — this is working. This is something we should celebrate. This is something that we should be out on the streets for.

With the Emergency Rental Assistance, you remember how frustrating it was when that program was getting off the ground, and there were all these distribution channels that had to be created from scratch. And when they were going on, when that program was having trouble, everyone was talking about it, everyone was tweeting about it. Major news stories are writing about it, and for good reason.

But once that program started working, and once eviction rates started plummeting, we were quiet. We were pretty quiet. And I think that there is something that we need to be reflexive about just in general on the progressive side of America about that.

And the second take-home I feel is the poverty movement has to grow. There is an active, nimble, exciting anti-poverty movement that's on the ground today. You can find it in the labor movement, the new housing movement, the Poor People's Campaign. But that tent has to get a lot bigger for it to have enough political power to say to Congress, no, no, no, you are not going to take away this benefit that is completely transformative to so many kids around the country.

Ezra Klein

But I want to push you on this because why wasn't it enough then? Your book is very much about exploitation, and it's very much about the ways in which the rich take advantage of the poor, people lack power, they lack power to do anything.

But this was a case where there weren't huge protests. There was more that could have been done, and it was — I know people who worked on trying to mobilize here, and it wasn't that easy. The great long-standing conservative fear about democracy is that the obvious thing that will happen is that the have-nots, who are numerous, will unite against the haves, which depending on how you define, are smaller. You can see this in a modern form even in Mitt Romney's 47 percent comments.

But it goes all the way back. It's all there with the founders. The people are going to band together and vote to give themselves what everybody else has. And it doesn't happen anywhere near the degree to which clean theory I think would predict. In fact, oftentimes the opposite happens.

So why? What do the people who fear democracy's tendency to devolve into populism — what do they miss about what makes that kind of populism so difficult to sustain?

Matthew Desmond

That's a deep question. I think one challenge that we have in America has to do with how stigmatized poverty is. There's no flag for poor rights. There's no identity politics, really, around ending poverty. There's no button. There's no sticker. There's no sign you can put in your lawn.

And the stigmatization of poverty really forces movements often to organize around families, around tenants, around workers, but not around ending poverty. That poses a real political vulnerability where we haven't developed the language yet in this country around ending poverty, including from the Democratic Party, who are much more comfortable in the language of the middle class than in the language of really addressing the problem of poverty.

But as Michael Tubbs, the former Mayor of Stockton, once put it to me, you can't solve a problem that we don't name, and I just don't think we're naming this problem as much, and owning it, and embracing it as a country to give it the political power it needs and deserve.

So one of the calls in the book is for all of us, no matter our station in life, to become poverty abolitionists, to commit ourselves to ending poverty in this country once and for all.

Ezra Klein

How do you think about the relationship here between work and poverty? You mentioned a minute ago the Democratic Party is more comfortable with the idea of the middle class. I think that's true. But when you're talking about poverty, what they're really comfortable with is the idea of the working class, and what they have found — the reason they talk like this is it does poll better. It polls better to means test programs. Work requirements are oftentimes pretty popular.

We were talking about poverty data earlier, and one theory some people have of why you see some measures of deprivation like people with no cash income going up even as I think some of the stronger poverty measures do suggest we've made some progress is because the way we make progress has been focusing more of our attention on the more sympathetic working poor.

I remember that Bernie Sanders used to have a banner that would show up on his campaign website. This is something like, nobody should work 40 hours a week and be poor in this country. And so then we'll pass policies that are pretty good if you're working 40 hours a week.

But if you're not — and a lot of the poor either can't, or for some reason don't, or they're elderly, or they're children — very hard for children to work 40 hours a week — can get into issues with extreme poverty that require very different kinds of solutions we're not that comfortable with.

So how do you think a bit about this question of our approach to poverty as a spur to work and our frustration at people we think should be working who aren't?

Matthew Desmond

So on the one hand, the welfare state in America has really shifted to being a welfare state that does a lot more to support workers than to support folks that aren't working for whatever reason. So the work by Robert Moffitt, an economist at Johns Hopkins has shown this really incredible upward shift where much more money in government spending is going to families right around the poverty level, and much less is going to families in this deep poverty situation. And

So I do think that we have designed a welfare state to supplement and encourage work, but we haven't done this other thing, which is to give workers power, to make sure worker wages are increasing, and to give them a seat at the table. And this, I think, is key.

So the way that we've subsidized work in this country is mainly through a program called the Earned Income Tax Credit. It's a benefit for workers that are poorly paid, often families, and it's a big program. It's about \$61 billion a year. It helps a lot. It lifts a lot of folks out of poverty.

But it doesn't confront the underlying issue, the fact that so many worker wages today are low and they're falling. And this is really key. This is an answer to the puzzle of how we could spend more and stay in the same place.

When the Great Society and the war on poverty were launched in the 1960s, wages were climbing. Unions were strong. But as unions lost power, wages started to fall. American jobs got a lot worse, and for non-college-educated men, real wages today are lower now than they were 50 years ago.

So I would like to see us address not just the symptoms but treat the disease, really go after exploitation in the labor market, which means not only subsidies like the E.I.T.C., which kind of help now, short-term subsidies, but also getting deeper, making sure workers have power, improving collective bargaining strategies, these kinds of things so we can make sure wages increase as spending increases. And that's the way to really bring folks out of poverty.

Ezra Klein

In that section of the book, you bring up one of my favorite policy ideas, which is — particularly for labor, which is sectoral bargaining. You talk a bit about how we've fractured workplaces, you have all these contractors, it's much harder to organize things like gig workers.

But there are other countries that do bargaining very differently than we do, so can you talk a bit about the way the economy has changed in ways that disadvantage unions and advantage exploitation or make exploitation easier? And you talked about what sectoral bargaining is, where it's used, how it works, and what we've seen from it.

Matthew Desmond

Sure. So it's incredibly hard to organize a workplace these days. Not only have unions lost their traditional labor base because we've moved from an industrial to a post-industrial economy, but unions also shot themselves in the foot when they were at their full power.

Many unions were a white man's refuge, and they completely blocked Black and Latinx workers from their ranks. Self-defeating racism really helped contribute to the weakening of union power. And then they were attacked. There was just massive political adversaries against unions that drove worker power down.

So today, if you want to organize a Starbucks, you've got to organize that Starbucks, and it's incredibly hard. The National Labor Board shows that in about 40 percent of cases corporations actually violate union rules, saying they will close up shop if you vote yes or firing people that try to organize.

And even if you're successful, you organize that Starbucks, there's thousands of other Starbucks that you've got to go around and organize. And so the idea of sectorial bargaining is it says, look, let's not go shop the shop. Let's organize entire economic sectors instead.

And this has been successful in Europe, especially, and this is how it works. If enough workers in a certain sector, like food and hospitality, voted for the measure, it would activate the Secretary of Labor, and the Secretary of Labor would organize a collective bargaining panel made up of worker representatives and corporate representatives.

And they would negotiate terms, and the end result of that would be a collective bargaining agreement that would cover the entire sector, all the food and hospitality workers in the country. And this is a way to organize all those Starbucks in one go.

I should say this isn't an idea without controversy, including from some unions. Some unions think like, wait a minute, is that going to wipe out gains that we've made on the ground? And I think those concerns are valid. But I do think the larger concern is that most workers in the private sector want a union and aren't in one, and so this is one way to speed up that process.

Ezra Klein

There's also this view, looking at places like Germany, where people feel this kind of policy leads to more cooperative, less antagonistic relationships between labor and business because when you're dealing with the entire sector, there's a little bit more alignment of interest.

And it gets to something I think that you're describing a bit throughout the book, which is that if you could end some of the ways that people benefit from poverty, that they benefit from worker weakness, then you would have a lot of knock-on benefits.

Some of them are spiritual about what it's like to be in a place. I think that some of the very weird reactionary politics of San Francisco have, in addition to dealing with real problems we have here, have to do with very rich people seeing very poor people and feeling very uncomfortable about it constantly. I'm not just talking about homelessness here. I think that there's a kind of political sickness that emerges in places this unequal because people know something is unstable in it.

But also, you have a lot less antagonism. You have reasons people can cooperate as opposed to their interest being so misaligned. You talked about ending poverty as a way of making people in poverty and out of poverty free. Tell me a bit about that idea of freedom and the related ideas of community that you develop.

Matthew Desmond

Well, for folks below the poverty line, for folks scraping, and cutting coupons, and struggling, the end of poverty is a whole new life. It's breath. It's freedom. It's a chance to realize your dreams.

I'm really bowled over by this Raj Chetty study that just shows how many inventors poverty kind of steals from us, and it's just true just how many diplomats, and nurses, and scientists that poverty denied us.

So for folks that are below the line, folks in poverty, it's just another life. But for all of us, I think the end of poverty brings a better nation. I think it brings us safer nation. I think it brings a happier nation, a freer nation. It brings a nation where we don't feel this complicity and connection to all this deprivation around us.

San Francisco is kind of a microcosm for this larger problem of private opulence amongst public poverty where we let the public sector diminish even as, sometimes, our personal fortunes grow, and that actually pulls us all down in a way.

So I do think a nation without poverty is something that will require some sacrifice from those of us, but I think that what we're going to get in the end is something much better, more enticing.

My wife sent me this quote, and I'm going to butcher it. But it's something like, if you want folks to build a ship, you don't assemble a team on the shore, and you don't

gather the wood. You make them long for the end of the sea. And I think that something that I'm trying to do in the book is to convince all of us that this is a country that I think we'd be happier in.

Ezra Klein

I want to talk through a couple of the other ideas, and the big one that I wouldn't say you fully develop as a policy but as a thought experiment — you write, in 2020, the gap separating everyone in America below the poverty line and the poverty line itself amounted to \$177 billion, and you say that's a little bit of a rough calculation. It's also a lot of money, but it's also not that much money. And you could get it from a lot of different places.

So before we talk about “where you could get it?” question, I want to talk about “what would you do with it?” question. One reason I don't like using the Official Poverty Measure is that if you got \$200 billion a year and you send it out in checks, my understanding of the way the Poverty Measure is calculated is it wouldn't change poverty at all.

But in theory, it really would, and you could do it. Is that what you're suggesting, we should basically have what gets called some kind of a basic income or a negative income tax? We should just give people the money so they're no longer poor?

Matthew Desmond

I think that's an amazing first step. Like if you were to ask me, if there was a single thing we can do, just one thing you could do that Congress could implement today, I would suggest this kind of investment, this kind of guaranteed basic investment in families in America.

I think we could reinstate the Child Tax Credit that did so much to reduce child poverty in Covid, and I think we could also invest in stable, affordable housing. I think those are my two big issues that I would use that money for.

Ezra Klein

Tell me a bit about the stable, affordable housing. Something that you discuss in the book that I think will be a bit of a surprise is you make an argument for much more

public housing, and the reputation of public housing is pretty bad. And I think it's widely considered an example of what government has tried to do and cannot do, and you suggest maybe that has changed over the years. Tell me a bit about the more modern versions of that policy.

Matthew Desmond

So most families that qualify for any kind of affordable housing program don't get it. Only about one in four families who qualify get it. So I've got two young kids. If I applied for public housing today like in Washington, D.C., I would be a grandfather, probably, by the time my application came up for review.

That's kind of our state. That's our state of investment in affordable housing, and that means that most poor renting families today live unassisted in the private market and give at least half of their income to their landlord and utility company. That's the state of America today.

So how should we change that? How should we address this? And one thing that I think we can do is build out our public housing infrastructure to build permanent, stable, affordable housing.

And you're right. Public housing has such a stigma and kind of a bad rap, if you will. And it's because the way we did public housing, building these giant Soviet-style complexes in Chicago and Atlanta and St. Louis in an incredible segregated way was not only cruel we did that, and then we defunded it.

Reagan cut HUD'S budget by 70 percent almost, seven-zero percent. And pretty soon, those buildings fell into complete disrepair. The elevators stopped working. Trash didn't get picked up. And then it got so bad we dynamited them on public television, and that sounded like a kindness.

But we've learned from our sins, I think, and if you look at the modern public housing that are in cities all over the country today, this is not your father's public housing. This is public housing that blends into the community, that looks pretty, that is not segregated, and often you'll drive by and not even notice that it's public housing.

And I think building out that infrastructure is one way to develop an approach to housing exploitation to basically give low-income families more choice about where they live so they don't have to accept this one bad option because it's the only option available.

Ezra Klein

So somebody might hear this and say, yeah, \$177 billion a year more on top of that for Child Tax Credits, and public housing, and the rest of the agenda. We don't have that kind of money. Money is scarce. There are a lot of needs.

We don't live in this world where anybody gets a pony. You don't have a lot of patience for that in the book. Tell me why.

Matthew Desmond

A study published a few years ago showed that if the top 1 percent Americans just paid the taxes they owed, just stopped evading taxes, not got taxed at a higher rate, that we as a country could raise an additional \$175 billion a year for the public purse.

So we could just about fill the poverty gap if the top 1 percent of us paid what they owed, and that's just one step in that direction. And so for me, it drives me crazy when our elected officials look at the price tag of a policy idea that would cut child poverty or ensure that everybody in the country affords a doctor, and they look at the bottom of the policy, and they say, whew, boy, how can we afford it? How can we afford it?

For me, that question is so dishonest, really, and even sinful. We could afford it if the richest among us took less from the government. We could afford it if we funded the IRS to do their jobs. We could afford it if we did so much more to fight poverty than to guard our fortunes.

Ezra Klein

You write that the fundamental lesson that emerges from this debate is if we want to abolish poverty, we need to embrace policies that foster goodwill and be suspicious of those that kindle resentment.

And that's a big sentence, I think, in this because when you think about the \$177 billion, for instance, and you think about telling somebody making \$75,000 a year outside of Austin with three kids that they're not going to get anything, they're not poor, but their cousin — and you do often hear this if you do poverty reporting — their cousin, who's a layabout, and hasn't worked as hard as them, and hasn't made the good choices they've made, he's, all of a sudden, or she's, all of a sudden, going to get this check that somehow or another is maybe on this person's back or at least could have gone to them and things they need. And that pisses me off.

So then you get into things like universal basic income. That's much more expensive. Then the math does get harder. So tell me a bit about that question of how you do this without kindling resentment.

Matthew Desmond

I've really liked this idea of what might be called bigger-tent targeting. It's kind of like a sweet spot between targeted programs like food stamps, which are cost-efficient — but you're right. If you make a \$1 over the limit, you're cut out. And it's a sweet spot between targeted programs like that and universal programs which reach everyone but are very expensive sometimes.

And a bigger-tent targeting kind of recognizes that the poverty line is too low, that there are quite a lot of Americans like that family making 75k in Austin who are struggling, too, and so how to kind of expand these programs not only to reach families that are desperate for them at the bottom but also families that belong to the working class and even middle-income families.

And the Child Tax Credit in Covid I think was a good example of this. It was a big program, and it reached a lot of folks. And I don't think it was a divisive program because of that. So I think to do this, though, we really have to reject the scarcity mindset, this idea that the country is a country of scarce resources and we really have to ration.

And I would have a lot more patience for that kind of argument if we did a much better job collecting taxes from the top 20 percent and if our welfare state wasn't so imbalanced, where we had so many tax breaks accruing to families that have plenty

already. So I think we have to push against scarcity, and we have to design these programs that are bigger-tent.

Ezra Klein

Something you're pretty straightforward about in the book is that the idea that everything benefits everybody is wrong. You talk about this in terms of rhetoric from Biden and others that there's this tendency to try to make everything into a positive-sum action and that if this stuff were so great for the rich, they would already do it.

But that goes on down the income ladders, too, and you talk about the way people show up at neighborhood meetings to try to keep affordable housing from being built in their neighborhood. And that's not only really rich people.

And you talk a bit about how there are a huge number of these tax breaks all throughout the system, the mortgage interest deduction, and the 529 program, and on, and on, and on, and on that middle-class people like, upper-middle-class people like, and these aren't people you think of as really rich.

But there's a lot of money in them, and any attempt to touch those sets off a political firestorm. So I'd be curious to hear you talk a bit about this question of, if not sacrifice, then at least the question of loss and change and not just in terms of taxation but in terms of, who's in our communities?

Who has what kind of political power? What maybe we can pay or get cheaply, going back to this question of cheap goods, and cheap Uber rides, and cheap stuff imported from China? How do you think about this question of having sacrifice without resentment?

Matthew Desmond

I think this is really where this call for poverty abolitionism comes in. This is a political project, but it's a personal one, too. It's me committing to this belief that poverty is an abomination and committing to this kind of commitment to unwind myself from poverty in my everyday life.

And so that does mean viewing things like tax breaks or zoning laws. It's not just like abstract principles that are out there but things that I can actively try to shift the

common sense on. So tax season is upon us, and so what if, instead of complaining about taxes, which is something that everyone does, left, right, and center — what if the next time someone in your office or over your fence line says, oh my God, these taxes, you say, look, in 2020, we spent \$190 billion on homeowner tax subsidies and only \$53 billion on direct housing assistance to the needy.

And I feel that's kind of crazy because most of the benefit, those homeowner tax subsidies, went to families with six-figure incomes. That just seems wrong when we have an eviction crisis. And I get that thing. I get the mortgage interest deduction. That's crazy. I think I'm going to write my congressperson and wind it down.

And what if we did that by the hundreds, and by the thousands, and by the tens of thousands? I think that's a way to shift the kind of aperture in the conversation about what's considered normal. And I do think that will take some sacrifice, but I do think the end product ultimately is a country that is something that we all want to see come about, a country that actually puts the money where its mouth is when it comes to expanding economic opportunity.

And with segregation and zoning, this is also very personal. You're right. The folks that are going down on a Tuesday night in the zoning board meetings, and yelling at the aldermen, and gumming up the process, and forming petitions, and suing cities — they're active. They're active defenders of the wall.

And I think those of us that are seeking a more open, inclusive community — we've got to put in that work, too. We've got to go down to that Tuesday night zoning board meeting, and stand up, and be like, look, I refuse to deny other kids benefits my kids have had living here. Let's build this thing.

And that's going to be awkward, and that's going to be challenging. But I think that's what this requires. And all of us have a role to play in this, I think, whether we come from abundance or we're struggling today.

Ezra Klein

There's a connection you're drawing at the end of the book that is clearly there and is also a little fuzzy, and I want to get you to try to explain more of what you're saying here because you talk about this question of poverty and community. And you write

about your family moving from a place in Wisconsin to East Arlington, a suburb of Boston, and noticing that this new community you're living in, which is richer, houses are bigger — but something is also missing.

You talk about far fewer issues and far less joy in your new community. You talk about the snow falling and neighbors clearing only their own walks, not each other. And I think there's one way to read this, which is a bit of a cliché. There's not much money down there, but everybody's together.

But I take you as saying something about a connection between the sort of values and almost spiritual way of being in the world that comes from trying to protect what is yours and what's possible when you open up, that there's some kind of ineffable community that is possible from a quality that isn't possible amidst inequality.

And I was hoping before we wrap up that you could talk about what you're saying there, what you're predicting there, what you're suggesting about this possible world we could live in and gain that isn't monetary in value but that even the rich don't necessarily know what they're missing.

Matthew Desmond

Yeah. I think that there is a spiritual poverty that's gripping a lot of communities in America. And look, I've lived in some very poor neighborhoods, and I'm not romantic about that. But I haven't experienced the kind of generosity and just sheer neighborliness that I did in those neighborhoods in affluent neighborhoods that I've lived in.

And I'm thinking about that group in Minneapolis that we talked about earlier, and I remember speaking to a woman named Chloe Jackson who, when she started getting involved in that tenants' rights movement, she was working at a store in the airport, making \$15.69 an hour. She wasn't politicized. She was just — she was a single mom just trying to make it.

And she more and more got involved in the movement, and the movement meant going to eviction court when one person did. Everyone would show up. Bring

tamales. Bring pizza. And she told me, look, before, we were just neighbors. But now we're a family.

And I think there's something to that. I think there's some spiritual violence we do to our lives when we live apart from each other, when we're segregated from each other, and when we kind of clutch on to money is our only security in America that we have kind of — like a stingy, frightened affluence, I think, today.

So I do think that there is — this is a part of the book that's fuzzy because I feel challenged writing about things beyond the data in a way. It really pushes me. It gets me out of my comfort zone.

But at least in my experience, there's real happiness, there's real joy in binding your lives to folks that are quite different from you, yeah, and I wanted to try to get that across in the book a little bit.

Ezra Klein

I think that's a good place to end. It's always our final question, what are three books you'd recommend to the audience?

Matthew Desmond

I recommend "What Then Must We Do?" by Leo Tolstoy. He wrote it in 1886. It's a weird book, but I kind of love it because the great writer is really wrestling with the same question this book is wrestling with. Why is there so much poverty around me?

And you see him go through the motions. Is it work? No, the poor are working all the time. What is it? What is it? And he finally ends on this answer that I kind of end on. It's me, he says, Tolstoy says. And so he kind of cuts through the abstractions and the excuses, and I think there's just a beautiful spiritual clarity about that book.

I really love "Race For Profit" by Keeanga-Yamahtta Taylor. This is a historical work, and it's looking at what happens when we kind of do policy halfway. And it looks at how the real estate business incorporated and marketed itself to Black families after 1968 and shows how this government program led to all this exploitation and all these foreclosures for these families. And she comes up with this powerful phrase

about “predatory inclusion,” which I think is very applicable to so many other policy realms today.

And my third book is “Random Family,” the classic investigative journalism by Adrian Nicole LeBlanc. She spent over 10 years living, and working, and reporting alongside poor families in the South Bronx. So we see kids grow up.

This is a book where I remember exactly where I was when I read it — I was in a garage in Minnesota — and how beautifully she wrote about people in their full complexity that were experiencing hardship, running from the law, and how gracefully she shows folks not reduced to their hardships.

Ezra Klein

Matt Desmond, thank you very much.

Matthew Desmond

Thanks, Ezra.

[MUSIC]

Ezra Klein

This episode of “The Ezra Klein Show” is produced by Rogé Karma with Emefa Agawu, Annie Galvin, Jeff Geld and Kristin Lin. Fact checking by Michelle Harris, Mary Marge Locker and Kate Sinclair. Mixing by Jeff Geld; original music by Isaac Jones; audience strategy by Shannon Busta.

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