

UPDATED EDITION OF THE BREAKTHROUGH BOOK THAT'S SOLD OVER 1,000,000 COPIES

# UNDERSTANDING POVERTY

Ruby K. Payne, Ph.D.

The Leading U.S. Expert on the Mindsets of Poverty, Middle Class, and Wealth

**A MUST-READ FOR  
EDUCATORS, EMPLOYERS, POLICYMAKERS, AND SERVICE PROVIDERS**

students had no more native intelligence than the poor students I had worked with earlier in my career. And I noticed that the achievement levels of affluent African-American, Hispanic, and Asian children were no different from those of affluent Caucasian children.

So, at Judy Duncan's request, I shared the information with her faculty members. They were very interested and thought the information was helpful. One teacher told another, and soon I was doing several workshops in other districts. Sara Hector, a field service agent with the Texas Education Agency, attended a workshop and told many people about it. Then Jay Stailey, another principal, asked me to come with him to the University of Houston-Clear Lake to meet with a grant consortium, of which he was co-chair. This session led to more meetings and conversations.

So this information has spread more quickly than I could have ever anticipated. I just hope this data will be helpful to you, the reader, as well.

### SOME KEY POINTS TO REMEMBER

1. *Poverty is relative.* If everyone around you has similar circumstances, the notion of poverty and wealth is vague. Poverty or wealth only exists in relationship to known quantities or expectations.
2. *Poverty occurs in all races and in all countries.* The notion of middle class as a large segment of society is a phenomenon of this century. The percentage of the population that is poor is subject to definition and circumstance.
3. *Economic class is a continuous line, not a clear-cut distinction.* In 2006, the poverty line in the United States was considered \$20,444 for a family of four. According to census data from 2006, the median household income was \$48,451 and 19% of U.S. households earned more than \$100,000 per year. Individuals are stationed all along the continuum of income; they sometimes move on that continuum as well.

4. *Generational poverty and situational poverty are different.*  
Generational poverty is defined as being in poverty for two generations or longer. Situational poverty is a shorter time and is caused by circumstance (i.e., death, illness, divorce, etc.).
5. *This work is based on patterns. All patterns have exceptions.*
6. *An individual brings with him/her the hidden rules of the class in which he/she was raised.* Even though the income of the individual may rise significantly, many of the patterns of thought, social interaction, cognitive strategies, etc., remain with the individual.
7. *Schools and businesses operate from middle-class norms and use the hidden rules of middle class.* These norms and hidden rules are not directly taught in schools or in businesses.
8. *For our students to be successful, we must understand their hidden rules and teach them the rules that will make them successful at school and at work.*
9. *We can neither excuse students nor scold them for not knowing; as educators we must teach them and provide support, insistence, and expectations.*
10. *To move from poverty to middle class or middle class to wealth, an individual must give up relationships for achievement (at least for some period of time).*
11. *Two things that help one move out of poverty are education and relationships.*
12. *Four reasons one leaves poverty are: It's too painful to stay, a vision or goal, a key relationship, or a special talent or skill.*

## CHAPTER 3

---

# Hidden Rules Among Classes

**H**idden rules are the unspoken cues and habits of a group. Distinct cueing systems exist between and among groups and economic classes. Generally, in America, that notion is recognized for racial and ethnic groups, but not particularly for economic groups. There are many hidden rules to examine. The ones examined here are those that have the most impact on achievement in schools and success in the workplace.

But first . . .

### A LITTLE QUIZ

Take the quiz on the next three pages, putting a check mark by all the things you know how to do.

## Could You Survive in Poverty?

*Put a check by each item you know how to do.*

- 1. I know which churches and sections of town have the best rummage sales.
- 2. I know which rummage sales have “bag sales” and when.
- 3. I know which grocery stores’ garbage bins can be accessed for thrown-away food.
- 4. I know how to get someone out of jail.
- 5. I know how to physically fight and defend myself physically.
- 6. I know how to get a gun, even if I have a police record.
- 7. I know how to keep my clothes from being stolen at the Laundromat.
- 8. I know what problems to look for in a used car.
- 9. I know how to live without a checking account.
- 10. I know how to live without electricity and a phone.
- 11. I know how to use a knife as scissors.
- 12. I can entertain a group of friends with my personality and my stories.
- 13. I know what to do when I don’t have money to pay the bills.
- 14. I know how to move in half a day.
- 15. I know how to get and use food stamps or an electronic card for benefits.
- 16. I know where the free medical clinics are.
- 17. I am very good at trading and bartering.
- 18. I can get by without a car.



## Could You Survive in Middle Class?

*Put a check by each item you know how to do.*

- 1. I know how to get my children into Little League, piano lessons, soccer, etc.
- 2. I know how to properly set a table.
- 3. I know which stores are most likely to carry the clothing brands my family wears.
- 4. My children know the best name brands in clothing.
- 5. I know how to order in a nice restaurant.
- 6. I know how to use a credit card, checking account, and savings account—and I understand an annuity. I understand term life insurance, disability insurance, and 20/80 medical insurance policy, as well as house insurance, flood insurance, and replacement insurance.
- 7. I talk to my children about going to college.
- 8. I know how to get one of the best interest rates on my new-car loan.
- 9. I understand the difference among the principal, interest, and escrow statements on my house payment.
- 10. I know how to help my children with their homework and do not hesitate to call the school if I need additional information.
- 11. I know how to decorate the house for the different holidays.
- 12. I know how to get a library card.
- 13. I know how to use most of the tools in the garage.
- 14. I repair items in my house almost immediately when they break—or know a repair service and call it.

## Could You Survive in Wealth?

*Put a check by each item you know how to do.*

- 1. I can read a menu in French, English, and another language.
- 2. I have several favorite restaurants in different countries of the world.
- 3. During the holidays, I know how to hire a decorator to identify the appropriate themes and items with which to decorate the house.
- 4. I know who my preferred financial advisor, legal service, designer, domestic-employment service, and hairdresser are.
- 5. I have at least two residences that are staffed and maintained.
- 6. I know how to ensure confidentiality and loyalty from my domestic staff.
- 7. I have at least two or three “screens” that keep people whom I do not wish to see away from me.
- 8. I fly in my own plane or the company plane.
- 9. I know how to enroll my children in the preferred private schools.
- 10. I know how to host the parties that “key” people attend.
- 11. I am on the boards of at least two charities.
- 12. I know the hidden rules of the Junior League.
- 13. I support or buy the work of a particular artist.
- 14. I know how to read a corporate financial statement and analyze my own financial statements.

The first point about this exercise is that if you fall mostly in the middle class, the assumption is that everyone knows these things. However, if you did not know many of the items for the other classes, the exercise points out how many of the hidden rules are taken for granted by a particular class, which assumes they are a given for everyone. What, then, are the hidden rules? The chart on pages 42 and 43 gives an overview of some of the major hidden rules among the classes of poverty, middle class, and wealth.

Several explanations and stories may help explain parts of the quiz and this chart. The bottom line or driving force against which decisions are made is important to note. For example, in one school district, the faculty had gone together to buy a refrigerator for a family who did not have one. About three weeks later, the children in the family were gone for a week. When the students returned, the teachers asked where they had been. The answer was that the family had gone camping because they were so stressed. What had they used for money to go camping? Proceeds from the sale of the refrigerator, of course. The bottom line in generational poverty is entertainment and relationships. In middle class, the criteria against which most decisions are made relate to work and achievement. In wealth, it is the ramifications of the financial, social, and political connections that have the weight.

Being able physically to fight or have someone who is willing to fight for you is important to survival in poverty. Yet, in middle class, being able to use words as tools to negotiate conflict is crucial. Many times the fists are used in poverty because the words are neither available nor respected.

*The one deep experience that distinguishes the social rich from the merely rich and those below is their schooling, and with it, all the associations, the sense and sensibility, to which this education routine leads throughout their lives.*

*As a selection and training place of the upper classes, both old and new, the private school is a unifying influence, a force for the nationalization of the upper classes.*

— C. Wright Mills, *The Power Elite*



## Hidden Rules Among Classes

	POVERTY
POSSESSIONS	People.
MONEY	To be used, spent.
PERSONALITY	Is for entertainment. Sense of humor is highly valued.
SOCIAL EMPHASIS	Social inclusion of people he/she likes.
FOOD	Key question: Did you have enough? Quantity important.
CLOTHING	Clothing valued for individual style and expression of personality.
TIME	Present most important. Decisions made for moment based on feelings or survival.
EDUCATION	Valued and revered as abstract but not as reality.
DESTINY	Believes in fate. Cannot do much to mitigate chance.
LANGUAGE	Casual register. Language is about survival.
FAMILY STRUCTURE	Tends to be matriarchal.
WORLD VIEW	Sees world in terms of local setting.
LOVE	Love and acceptance conditional, based upon whether individual is liked.
DRIVING FORCES	Survival, relationships, entertainment.
HUMOR	About people and sex.

MIDDLE CLASS	WEALTH
Things.	One-of-a-kind objects, legacies, pedigrees.
To be managed.	To be conserved, invested.
Is for acquisition and stability. Achievement is highly valued.	Is for connections. Financial, political, social connections are highly valued.
Emphasis is on self-governance and self-sufficiency.	Emphasis is on social exclusion.
Key question: Did you like it? Quality important.	Key question: Was it presented well? Presentation important.
Clothing valued for its quality and acceptance into norm of middle class. Label important.	Clothing valued for its artistic sense and expression. Designer important.
Future most important. Decisions made against future ramifications.	Traditions and history most important. Decisions made partially on basis of tradition and decorum.
Crucial for climbing success ladder and making money.	Necessary tradition for making and maintaining connections.
Believes in choice. Can change future with good choices now.	Noblesse oblige.
Formal register. Language is about negotiation.	Formal register. Language is about networking.
Tends to be patriarchal.	Depends on who has money.
Sees world in terms of national setting.	Sees world in terms of international view.
Love and acceptance conditional and based largely upon achievement.	Love and acceptance conditional and related to social standing and connections.
Work, achievement.	Financial, political, social connections.
About situations.	About social faux pas.

One of the biggest difficulties in getting out of poverty is managing money and just the general information base around money. How can you manage something you've never had? Money is seen in poverty as an expression of personality and is used for entertainment and relationships. The notion of using money for security is truly grounded in the middle and wealthy classes.

The question in the quiz about using a knife as scissors was put there to illustrate the lack of tools available to those in poverty. Tools in many ways are one of the identifiers of middle class—from the kitchen to the garage. Therefore, the notion of maintaining property and repairing items is dependent upon having tools. When they are not available, things are not repaired or maintained. Students do not have access to scissors, pens, paper, pencils, rulers, etc., which may be part of an assignment.

One of the biggest differences among the classes is how “the world” is defined for them. Wealthy individuals view the international scene as their world. As one told me, “My favorite restaurant is in Brazil.” Middle class tends to see the world in terms of a national picture, while poverty sees the world in its immediate locale. Several fourth-grade poor students told us when they were writing to the prompt, *How is life in Houston different from life in Baytown?* (Baytown is 20 minutes from Houston), “They don't have TVs in Houston.”

In wealth, to be introduced or accepted, one must have an individual already approved by that group make the introductions. Yet to stand back and not introduce yourself in a middle-class setting is not the accepted norm. And in poverty it is not unusual to have a comment made about the individual before he/she is ever introduced.

The discussion could continue about hidden rules. The key point is that hidden rules govern so much of our immediate assessment of an individual and his/her capabilities. These are often the factors that keep an individual from moving upward in a career—or even getting the position in the first place.

## WHAT DOES THIS INFORMATION MEAN IN THE SCHOOL OR WORK SETTING?

- Assumptions made about individuals' intelligence and approaches to the school and/or work setting may relate more to their understanding of hidden rules.
- Students need to be taught the hidden rules of middle class—not in denigration of their own but rather as another set of rules that can be used if they so choose.
- Many of the attitudes that students and parents bring with them are an integral part of their culture and belief systems. Middle-class solutions should not necessarily be imposed when other, more workable, solutions might be found.
- An understanding of the culture and values of poverty will lessen the anger and frustration that educators may periodically feel when dealing with these students and parents.
- Most of the students that I have talked to in poverty do not believe they are poor, even when they are on welfare. Most of the wealthy adults I have talked to do not believe they are wealthy; they will usually cite someone who has more than they do.