

# Interview with John Ziraldo, CEO of Lighthouse of Oakland County, on Detroit suburban poverty

Lawrence Porter, Thomas Gaist  
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The *World Socialist Web Site* recently spoke to John Ziraldo, CEO of Lighthouse of Oakland County, and author of a recent report on poverty in suburban Detroit. The report found that fifty-eight percent of those living below the poverty line in the Metro Detroit Area now live in the suburbs. (See, “Report documents growth of poverty in Detroit suburbs”).

**World Socialist Web Site :** Mr. Ziraldo, what prompted you to issue this report?

**John Ziraldo:** At Lighthouse in Oakland County, we have been trying to assist families and help them to move to self-sufficiency for the last 42 years. But in my time here over the last few years, we have seen a real shift in our client population. We are battling an incorrect perception that the problems of poverty are isolated only to urban areas such as the city of Detroit or Pontiac. And when you talk about Oakland County, the overall perception is that it is a wealthy place and not a place where there is poverty. Increasingly, especially in the years leading up to the 2008 recession and after, we have seen a real diversity of clients coming from literally every community in Oakland County.

**WSWS:** You noted in your report that Oakland County is seen as a community of affluence. However, in your report you did a profile of a woman who had previously held a job and was making \$74,000 a year who became unemployed and is now facing severe problems. Is this a common problem?

**JZ:** We are seeing a lot of folks who had middle-class employment, people who are well educated and capable, and are struggling to find employment at a living wage. In our own experience, about a third of the people who seek assistance have never been to an

agency like ours before. In fact, many have previously volunteered to help other families, and now they find that they are struggling themselves.

**WSWS:** What changes you have seen since the recession in 2008?

**JZ:** Since 2008, the number of people coming to us has at least doubled. As we began to work through the foreclosure crisis, one of the things we did was to provide foreclosure prevention services in both Wayne and Oakland County. There we often saw families who had incomes in the middle and upper-middle class now struggling with foreclosure.

**WSWS:** The primary culprit behind the foreclosure crisis was the loss of jobs?

**JZ:** It was the product of many things, but certainly the loss of income was one of the main drivers. There were people who purchased more expensive homes than they could afford. They purchased homes with a ballooning mortgage. Then they were unable to make payments on a mortgage that was underwater. We were doing more than a thousand cases a year of foreclosure after 2008 in Oakland County. And we were only serving a fraction of those affected. The larger point here is that many families that would previously have been considered financially well-off and stable are also at risk, and one job loss or some other crisis and they can find themselves to be in real financial difficulty.

**WSWS:** Do healthcare emergencies often play a role in creating difficult financial conditions?

**JZ:** It's common in our experience that one of the precipitating events for someone to fall into crisis is a health care emergency of one variety or another. Not only does it mean an additional expense, it also limits people's earning ability.

**WSWS:** You point out in your report that in Detroit there are 270,900 people in poverty, which is one-third of the population. However, your chart says the total number of people in poverty outside of Detroit, in the metropolitan region, is higher than in the city itself.

**JZ:** In concentration, there is no question that there is more poverty in Detroit. But if you are looking the largest volume of people who have fallen below the poverty line, it is definitely in the outlying areas of Wayne, Macomb and Oakland counties.

**WSWS:** And it is not a matter of black versus white, in terms of poverty.

**JZ:** Yes, looking at similar analyses, data shows that there are more white Americans living in poverty than blacks. Again if you are looking at concentrations, you are going to find higher rates in the black population. However, we shouldn't be surprised to see that, as a whole, since whites continue to be the majority, they also have the largest number of families struggling.

**WSWS:** Another significant fact contained in your report is that many poor people have a bachelor's degree or other form of higher education. Is this a big change?

**JZ:** Some 20,000 people with some college degree are impoverished in Oakland County. It is a shift because more people go to college than ever before. Also, the growth in the job market for higher-pay work is yielding relatively narrow bands of employment opportunity. People who have a degree in a nontechnical field find it hard to find a job that pays a living wage.

**WSWS:** Your report confirms again, and this is true in Detroit and in the suburban areas, that the hardest hit are the children.

**JZ:** This is true. When you look at families in poverty across the country, very often they have children. One third of children under the age of 18 in Oakland County are below the poverty level. I think this is consistent in other communities.

**WSWS:** Are there any unique challenges that the suburban poor face?

**JZ:** You know, it is difficult to be poor anywhere, and the challenges the suburban poor face are unique to their community. Transportation is an issue in Detroit and in the suburban areas. The public transportation system does not operate very well at all. It simply does

not provide adequate access to job opportunities or other services.

The city of Detroit is about 139 square miles. Oakland County is more than 900 square miles and has nowhere near adequate coverage in terms of our public transport system. And so people who do not have an automobile have no real access to jobs with higher wages.

Also, communities with the greatest growth of poverty in the suburbs do not have access to resources. They do not have access to health care, a food pantry or shelter.

**WSWS:** A recent report from the National Employer Law Project found that the majority of new jobs that have been created since 2008 are low-wage jobs. Is this also a reflection of what is taking place in suburban districts where people are working, but they are working poor?

**JZ:** Yes, we see that. Almost all of the people who come to us in crisis are working, but they are not working at wages that are sufficient. They are not getting enough hours to meet their basic needs.

If you look at the cost of living cited by the Michigan League on Public Policy, what it would cost for basic needs like shelter and food and transportation for a family of three, and compare that to a full-time job at the minimum wage, the gap is several thousand dollars. So families that are working, even if they are working full-time, they are still eligible for things like Medicaid or food stamps because the wages they are earning are not enough to feed their families.



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