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Abbye Atkinson is an Assistant Professor at the University of California, Berkeley, School of Law, where she teaches Contracts and a seminar on Debt, Discrimination, and Inequality. Her research focuses on the law of debtors and creditors as it affects economically disenfranchised communities. Her work is forthcoming in the *Stanford Law Review* and has been published in the *Vanderbilt Law Review*, the *Arizona Law Review*, and the *Michigan Journal of Race and Law*. Before joining Berkeley Law, she was a Thomas C. Grey Fellow and Lecturer in Law at Stanford Law School and the Reginald F. Lewis Fellow at Harvard Law School. She also worked as an associate attorney in the San Francisco office of Gibson, Dunn & Crutcher, and she served as a law clerk to the Hon. Ronald M. Gould of the U.S. Court of Appeals for the Ninth Circuit and for the Hon. Marilyn Hall Patel of the U. S. District Court for the Northern District of California. She is a graduate of Harvard Law School and the University of California, Berkeley, and she is the mother of three.

Rethinking Credit as Social Provision

The current discourse of social provision—the range of state policies implemented to improve general welfare—for the working poor must shift away from credit. Credit has become a significant institution within the American social safety net. Accordingly, “access to credit” talk pervades the current discourse of financial rights and equality for low-income communities. Indeed, in a rare point of convergence, both progressive and conservative accounts of optimal credit regulation for the working poor rest on the shared conviction that credit is an important tool of social provision.

The notion that credit is a valid form of social provision for low-income Americans, however, is deeply flawed. The logical problem with credit as a form of social provision for low-income Americans is that there is an essential mismatch between the problem and the solution. At its best, credit is a mechanism of intertemporal and intrapersonal redistribution. However, low-income Americans often struggle with persistent financial instability, and decades of data show that they can reasonably expect to be in worse economic shape as time progresses. As an essential matter then, the problem of entrenched and enduring poverty that leaves people consistently unable to afford basic necessities cannot be addressed by a device that requires future prosperity and economic growth.

Moreover, the resulting debt burden transforms credit as social provision from a form of mere intertemporal redistribution into a form of regressive redistribution, in which wealth flows out of already economically-vulnerable communities. This reality has broader consequences for the middle class given its own government-sanctioned, heavy reliance on credit in the broader persistently stagnant economic environment. Thus, our increasingly unfounded dependence on access to credit as social provision policy must be set aside in order to begin the difficult task of surfacing and centralizing the more pressing extent of deepening economic, and thus social, inequality.