

# Poverty and hunger on the rise in the US

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The US Department of Agriculture will shortly release figures showing that a record number of Americans, some 30 million, now receive food stamps, benefits available to low- or no-income people. That total will surpass the previous record set in the wake of the Hurricane Katrina disaster in 2005.

Every statistic related to poverty and hunger, as well as anecdotal reports from food banks and charities, points to a sharp growth in social misery in America. The majority of the statistics do not take into account the rapid economic deterioration of the past several months.

The figure of 30 million people on food stamps is one sign of the social crisis—although only the near-destitute qualify for the benefits, which themselves are entirely inadequate. The maximum monthly amount for a single individual is \$176, the minimum, \$14. A family of eight can receive \$1,058. The average monthly benefit per person is \$95, while the average US household spends \$184 per person a month on food.

The number of those using food stamps rose 9.6 percent, or some 2.6 million people, from August 2007 to August 2008. The total is expected to continue rising sharply. Already in 25 states, at least one in five children is receiving food stamps.

Those receiving the benefits must have an income under 130 percent of the federal poverty level (\$21,200) for a family of four, or \$27,600. Income levels necessary to decently sustain a family of four are estimated to be at least twice the official poverty level. In the New York City area, for a four-member family, the Economic Policy Institute's "Family Budget Calculator" puts the figure at \$68,000; in the Los Angeles-Long Beach area at \$54,000; and in the Detroit-Livonia-Warren, Michigan, area at \$44,000. If this more-accurate measure were used, the percentage of Americans living in poverty would be at least 30 percent.

The Department of Agriculture (USDA) reports that 39 percent of food stamp recipients have income of half or less of the federal government's poverty figure, and some 15 percent have no income whatsoever. Approximately 70 percent of the households in the program, now officially known as the Simplified Nutrition Assistance Program, have no "countable resources"—i.e., cash and investments. Families with savings of more than \$2,000 are disqualified from receiving food stamps.

As miserly as the benefits are, only two thirds of those eligible

actually receive any at all. Many are unaware that the benefits exist, others don't see the point of overcoming the considerable bureaucratic hurdles for the pittance they would receive, and language and transportation problems stymie still others.

In regard to the needs of poor people in general, as a result of the devastation of the "social safety net" by Republicans and Democrats alike in Washington, according to the Center on Budget and Policy Priorities, "basic cash assistance [now] reaches many fewer poor families with children than in the recessions of the 1970s, 1980s, and 1990s. Today, only about 40 percent of families eligible for cash assistance under the Temporary Assistance for Needy Families program actually receive it." That is about half the percentage of the families eligible for assistance in previous recessions.

The Center estimates that an additional 10 million people will be forced into poverty in the US if the current recessionary economic trends continue.

In mid-November, the USDA released figures showing that more than 36 million Americans, including 12.4 million children, were officially "food-insecure" in 2007. The number with "very low food security"—in other words, the number of those regularly going hungry—has risen steadily over the decade; in 2007, the members of some 4.7 million households fell into this category.

The number of children consistently going hungry in America jumped to 700,000 last year, an increase of *more than 60 percent* from 2006; the number of elderly people with low food security rose by 26 percent. The data underestimates the actual numbers because it doesn't take into account homeless individuals or families.

Feeding America, the country's largest hunger relief organization, issued a statement November 17 pointing out that the number of Americans forced to skip a meal and survive without adequate nutrition had grown with the onset of the current downturn.

Vicki Escarra, president and CEO of Feeding America, commented: "Our food banks are calling us every day, telling us that demand for emergency food is higher than it has ever been in our history. They are serving a significant number of new clients—people who were once their donors, middle class workers who can no longer make ends meet."

Research conducted by the organization last spring revealed that food banks were witnessing an average increased need of nearly 20 percent; in many areas, the need had doubled from the same period in 2007.

Escarra continued: “If the [USDA] data we are reviewing today reflected food insecurity data from the last 12 months, it would be even more shocking. Unemployment rates and healthcare costs continue to soar, and there is not an end expected in near sight.... We don’t expect the lines to get any shorter at local food pantries any time soon, and we won’t know how bad it really is until the future USDA numbers are released next year.”

The new food stamp numbers were reported on the eve of Thanksgiving, one of the country’s major holidays. For millions, there was little to be thankful about.

CBS News reported that 10,000 people showed up for an annual Thanksgiving food giveaway in Los Angeles on Tuesday. “In Dallas, the number of food shelf visits is up 25 percent,” CBS commented. “It’s up 33 percent in Chicago and 41 percent in Los Angeles, according to Feeding America and the Los Angeles Food Bank....

“At one food bank in Los Angeles they are working 18 hour days and shipping 1 million pounds of food out to food pantries every week, but it’s still not enough to meet the growing need.

“ ‘We see this as a crisis situation we don’t see going away in the near future,’ said Michael Flood, the CEO of the Los Angeles Regional Food Bank.”

Visits to food pantries in Washington, D.C., are up “20% to 100%,” according to the *Washington Post*, and “calls to the Capital Area Food Bank’s hunger hotline have jumped 248%.” Most of the calls are from people who never used the service before.

Donations to food banks have climbed nationally about 18 percent, but demand has grown by 25-40 percent, says Feeding America.

The destruction of jobs and benefits, rising health costs and the slashing of social programs are driving the crisis. Moreover, while food prices are not climbing as they were earlier in the year, in October the consumer price index for food and beverages was still 6.1 percent higher than a year ago.

A remarkable episode, an indicator of the depth of the current crisis, took place in the unlikely locale of Platteville, Colorado, November 22. The Miller family, who farm 600 acres outside the town, some 40 miles north of Denver, decided to give away the remains of their potato, carrot and leek crop, because cold weather was about to kill it off. To the Millers’ astonishment, approximately 40,000 people showed up to dig in the ground and

carry off the free food. Traffic backed up for miles, “and police ticketed people who had illegally abandoned their cars in the frenzy,” observed the *Denver Post*.

Farmer Chris Miller told the media: “Overwhelmed is putting it mildly.... People obviously need food.”

Indeed. In New York, reports Food Bank for New York City, as of 2007 more than one in five children (397,000) were relying on soup kitchens and food banks, up 48 percent from 269,000 in 2004. Approximately 1.3 million residents of New York, the “world’s financial capital,” relied on emergency food in 2007.

Meanwhile, the *New York Times* took note last week that hedge fund operator John Paulson wined and dined 100 investors and listened to former Federal Reserve chairman Alan Greenspan and current Treasury Secretary Henry Paulson at the exclusive Metropolitan Club in Manhattan, facing Central Park, on November 17.

The *Times* noted that “the crowd at the Metropolitan Club betrayed no signs of the financial distress. The din that spilled from the dining room into the marbled-and-gilt main chamber was filled with laughter.

“Mr. Greenspan spoke while guests dined on a three-course meal—preceded, of course, by a cocktail reception featuring Krug Grand Cuvee champagne and 2006 Chassagne-Montrachet from Domaine Marc Morey.

“For dinner? Jumbo crabmeat & avocado, paired with 1999 Haut-Brion; and Colorado rack of lamb with tarragon jus and parmesan polenta cake, paired with 1999 Chateau Margaux and 1999 Lafitte-Rothschild (which can fetch more than \$500 a bottle).”



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