

Nearly three-quarters of Detroit children living in poverty

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The following description paints an almost unrecognizable picture to most of Motor City's residents today: "*Detroit employed more than 330,000 workers,*" wrote the *Detroit News*. "*The automobile industry, pharmaceuticals, tobacco, copper, steel, printing, meat packing and leisure industries all contributed to Detroit's economic boom. Publicists coined the phrase 'Paris of the Midwest' to herald Detroit's booming image and standard of living.*"(1)

This was the 1920s, when Detroit emerged as the capital of America's most important industry and a global symbol of modernity.

"Paris" gave way to the "Arsenal of Democracy" during World War II as massive industrial-military production drove employment even higher in the area's factories—over 30,000 at Chrysler's Dodge Main and nearly 100,000 at the Ford Rouge complex, among dozens of facilities. Workers streamed in from the South for work, and, desperate for more workers, Ford maintained active recruitment as far away as the Middle East. By the 1950s, Detroit was the economic engine of the US with car production generating one out of every six jobs nationally.

Today, all this wealth-generation for over a century of car production has little to show for it, except, of course, the enrichment of the families of the auto barons, the Fords, Motts, Dodges and the ever-climbing profits of Wall Street.

The shrunken "Big Three" now employs 4,652 Detroiters at General Motors and 4,517 at Chrysler. The top two employers in the city are the Detroit Public Schools (13,000) and the City of Detroit (also 13,000),

both of which are in the midst of shedding thousands of jobs.

As part of the national Kids Count report issued last week, the growth of poverty in Detroit and other major cities was chronicled. These statistics present a devastating portrait of the historical and social decline visited upon the erstwhile Motor City by the financial elite. Having wrung vast profits over generations from the workforce, it has abandoned the factories and the city itself to shocking levels of decay.

Equally culpable in this disastrous process is the United Auto Workers. Now notorious for its agreements to cut wages, reduce health care and close plants, the union has actively partnered in the deliberate plundering of the gains of the Detroit and American working class. It is now facilitating the establishment of two- and three-tier wage levels within the plants, with the return of a small section of younger workers at half the prevailing wage rates.

The drastic loss of jobs and the prevalence of the low-wage work, even in the auto plants, has created a large layer of desperately poor workers, part-time workers and unemployed.

With a population of just over 700,000, 54 percent of Detroit children, 100,000 are officially living in poverty. The federal "poverty level"—a miserable \$22,314 per year for a family of four—is so inadequate for modern life that Kids Count also provides the statistics for 150 percent, 200 percent and 250 percent of the poverty level, which still means an inability to meet basic needs. In fact, the official federal poverty threshold is only 30 percent of the national median

household income, whereas in 1960, it was nearly 50 percent.

Kids Count has noted in the past that those families with incomes between 100 and 200 percent of the poverty level suffer “missed rent payments, utility shutoffs, inadequate access to health care, unstable child care arrangements, and food insecurity” which are “experiences common among families.”

When these more realistic numbers are taken into account, then an overwhelming majority—71 percent—of Detroit children are poor, that is living at or below 150 percent of the federal poverty line.

The statistics reveal a terrible situation facing wide layers of the population in the nation’s poorest large city:

* Since the economic crash of 2008, tens of thousands of families have been driven farther down the economic ladder. Median household income in the city has dropped from \$28,069 in 2005 to \$26,098 in 2009, the last statistical year in this study.

* The youngest children, ages 0 to 5, are the most affected, with a full 58 percent living in families below the poverty line.

* Among the most telling facts is the number of children living in a household where no one has full-time, year-round work. In Detroit, that figure is 65 percent! 124,000 children live in this economically insecure environment. Some 44,000 children, or 23 percent, live in low-income households where no adults have any work at all.

* An aging housing stock, the lack of new construction and the failure to build any new public housing all contribute to the absence of affordable housing in the city. The vast majority of Detroit’s young people, 73 percent, live in homes where more than 30 percent of the income goes to pay rent or mortgages. In many households, more than half of family income must be allocated for housing.

* The costs of living with disabilities very often

forces families into dire straits. As of 2010, 13.8 percent of Detroit young people under 26 were classified as special education.

* For teenagers in Detroit, where public transportation is, at best, unreliable, the job market is almost non-existent. Kids Count’s 2012 report bears this out, noting that 10,000 children aged 16-19 do not attend school or work.

The entire state of Michigan lags only slightly behind Detroit’s dismal statistics, as the entire state was once dominated by the auto industry. In 1955 Michigan’s per capita income was 16 percent above the US average—among the highest for any region in the world. By the 1980s, per capita income had fallen to 7 percent behind the national average, and manufacturing jobs have continued to hemorrhage. The production jobs that remain are increasingly paying wages hovering just over the legal minimum.

Kids Count’s figures show that the state has now dropped to No. 32 in the nation in children’s well-being. As of 2010, 23 percent of Michigan children were living in poverty—up from 19 percent in 2005.

In one of the most significant indicators, 37 percent of Michigan children live in families where the adults lack secure employment. Children in high-poverty areas have increased by a staggering 75 percent since 2000.

Reference (1)

<http://apps.detnews.com/apps/history/index.php?id=131#ixzz22209nQpf>

KIDS COUNT Detroit (here)



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wsws.org/contact