Four in five Americans economically insecure

Andre Damon 29 July 2013

Four in five Americans are "economically insecure," according to yet-unpublished data reported by the Associated Press Sunday, which shows that the vast majority of the population struggles with near-poverty and unemployment, or relies on government antipoverty programs during at least part of their lives.

The figures are based on statistics compiled by Washington University professor Mark Rank, to be published next year by Oxford University Press.

The report notes that, based on the current growth rate of poverty, 85 percent of all working-age adults will experience economic insecurity at some point in their lives by 2030.

The survey defines the "economically insecure" as those who have had an income below 150 percent of the poverty line, were unemployed, or relied on antipoverty programs such as food stamps for up to a year or more.

By that definition, 79 percent of the US population qualifies as "economically insecure," including 90 percent of nonwhites. The report notes, however, a significant rise in poverty among the white population, with 76 percent classified as economically insecure.

The report notes that among white families, pessimism about their economic prospects has hit the highest levels on records going back to 1987. The report also notes that, for the first time in 38 years, the number of "white single-mother households living in poverty with children" has surpassed or equaled the number of such African-American households.

It also added that, over the past 13 years, poverty among working class whites has grown faster than among other ethnic groups; rising from 8 to 11 percent.

While the poverty rate for nonwhites is significantly higher than for whites, the AP notes that, in absolute terms, whites numerically constitute the largest group of the poor, with 19 million white households falling below the poverty line, and making up 41 percent of the

country's population of destitute people.

The methodology used by the study, which includes not just the number of people who are currently economically insecure but the number who are in that state at some point in their lives, shows that poverty affects a much greater section of the population than recorded by official estimates. For instance, while the official poverty rate for working-age adults was 12.6 percent, the number of people who fall into poverty at some point in their lives is much higher: four in ten adults.

"Poverty is no longer an issue of 'them', it's an issue of 'us'," author Mark Rank told the Associated Press. The survey points to the so-called "invisible poor" scattered throughout small towns, rural areas, and suburbs across the US, where poverty is growing even faster than in major cities.

"We now see that our underserved communities are spread out beyond the large urban centers, where the cost of living has become so oppressively high that only the rich can afford to live in even the most modest neighborhoods," said Dr. Michael Omidi, co-founder of No More Poverty, said in a statement issued Sunday.

Omidi was responding to figures recently released earlier this year by the Urban Institute Research Center that showed that, over the past two decades, the number of poor people living in the suburbs has grown by a staggering 64 percent, while the ranks of the poor in US cities grew by 29 percent during the same time. As a result, there are more poor people living in the suburbs—16.4 million—than in cities, with 13.4 million poor.

"Suburban centers do not have the same access to job opportunities and outreach services that large cities do," added Omidi. "Suburban areas, by in large, do not have efficient public transportation systems that can carry residents to the city centers where there are the most economic opportunities."

Overall, the current US poverty rate, estimated at 16.1 percent, is the highest since 1965. According to the Census Bureau's supplemental poverty measure, there are a staggering 49.7 million people in the United States who are in poverty. Additionally, more than 48 percent of the population is poor or "near poor," meaning they make less than double the official poverty rate.

The figures reported Sunday are only the latest in a string of indices released this year pointing to the growth of social despair and destitution. Among those aged 35 to 64, suicides soared nearly 30 percent between 1999 and 2010, according to figures released in May by the Centers for Disease Control and Prevention. More people in the US now commit suicide than die in car accidents.

More than 16 million children in the US, 22 percent, live in families whose income is below the federal poverty line, according to the National Center for Children in Poverty. The United Nations Children's Fund released a report in April showing that, among developed countries, children living in poverty in the United States rank 26th worst out of 29. Only children in Lithuania, Latvia and Romania are more impoverished. And children in Greece, which is gripped by massive government austerity policies, rank 25th most poor, above children in the US.

The disastrous growth of poverty is taking place as the social safety net is being dismantled in the United States. As a result of the so-called sequester cuts, extended unemployment benefits have been slashed by up to 25 percent in some states, and hundreds of thousands of workers are being furloughed. Meanwhile Medicare and Social Security, which keep millions out of poverty, are on the chopping block in the budget proposals in Congress of both the Democrats and Republicans.



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