

Kids Count report: 22 percent of US children live in poverty

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Twenty-two percent of all children in the United States live below the federal poverty line, significantly higher than during the height of the 2008-2009 economic crisis, according to a report issued Thursday by the Annie E. Casey Foundation.

The latest edition of the *Kids Count Data Book* found that the number of children living in poverty rose by almost 3 million between 2008 and 2013, the latest year included in the data: from 13.2 million to 16.1 million. The US child poverty rate remains four percentage points higher than it was in 2008, when it stood at 18 percent.

“Especially worrying” to the authors is the fact that the percentage of children in high poverty neighborhoods has risen from 11 percent in 2006-2010 to 14 percent in 2013, the highest level since 1990. The report notes that children living in high-poverty areas are more likely to drop out of school or develop behavioral or emotional problems.

The percentage of children in high-poverty neighborhoods is significantly higher in former industrial centers such as Detroit, where 81 percent of children live in poor neighborhoods. This figure is also higher for African-American, Native American and Latino children, at 32, 30 and 24 percent respectively.

The report reflects the fact that Obama’s economic “recovery,” which has seen a massive increase in stock values and profits of major corporations, has been a catastrophe for the American working class, who have seen their living standards and those of their children decline precipitously during this period.

“Although we are several years past the end of the recession, millions of families still have not benefited from the economic recovery,” said Patrick McCarthy, president and CEO of the Casey Foundation. “While we’ve seen an increase in employment in recent years, many of these jobs are low-wage and cannot support even basic family expenses.”

“Only the most highly educated and highly paid workers have seen their wages grow, while inflation-adjusted wages for the lowest-income workers have slowly but gradually fallen,” the report states. This shift toward unskilled, low-paid professions since the “recovery” has led to an additional 1.7 million children living in “low-income working families” between 2008 and 2013.

It is widely acknowledged among researchers that “at a minimum, families need an income of at least twice the federal poverty level to cover basic expenses,” the report states. A total of 45 percent of all US children lived beneath this threshold in 2013.

The bleak job situation facing the US population “remains one of the primary obstacles to further reducing economic hardship among children and families,” according to the report. In addition to low wages, the number of jobs created after the 2008 financial crisis has not been sufficient to keep pace with the natural growth of the labor force. Thirty-one percent of children in 2013 had parents that lacked access to secure employment, defined as having a full time, year-round job. This is an increase from 27 percent in 2008, or 2.7 million additional children.

Income levels for US workers remain far below what they were prior to the recession. Median household income fell by 8 percent between 2007 and 2013, according to figures from the Federal Reserve.

Even industries which were once associated with a decent standard of living, especially those in manufacturing, have now been opened up as low-wage platforms. In a move spearheaded by the Obama administration’s auto restructuring, auto makers have institutionalized a “second tier” of employees who now make less, in real terms, than autoworkers a century ago. Wages have been lowered to the point where manufacturers are now “insourcing” some production

back into the United States, eager to exploit the emerging and highly profitable low-wage economy.

The difficult economic conditions faced by American children are among the worst of any country in the industrialized world. A report by UNICEF last year found that the United States has one of the highest rates of child poverty in the developed world, as measured by the percentage of children beneath the median national income. The United States has the sixth-highest child poverty rate out of the 41 countries in the study, lower only than countries such as Mexico and Greece.

The social crisis has hit major urban centers particularly hard. An earlier report also released by the Annie E. Casey Foundation found that child poverty had risen in 35 of the 50 largest cities in the United States since 2005. In six American cities: Detroit, Cleveland, Miami, Milwaukee, Fresno and Memphis, the child poverty rate was higher than UNICEF's figures for Greece, with Detroit and Cleveland topping 50 percent.

Even as the incomes of US workers have plunged, the profits of major corporations and the value of the stock market have soared. Major US stock indices have tripled since 2009, despite the fact that the real economy is still mired in slump, with the US economy barely growing over the first half of the year.

The wealth of the super-rich, meanwhile, continues to grow. A recent *Forbes* report found that the wealth of the world's billionaires, 536 of whom live in the United States, surged past \$7 trillion earlier this year for the first time.

Even as millions of people have slid into poverty, the White House and Congress have slashed funding for social programs year after year. Total cuts to food stamps implemented over the past two years alone have added up to \$13.7 billion. Meanwhile, federal extended unemployment benefits have been continually slashed, resulting in a smaller share of the unemployed receiving jobless benefits than at any point in the history of the program.



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