

Child Poverty

Poor child made good. Those four words are Horatio Alger, the American Dream, a yellow-brick road illuminated by Lady Liberty's torch. Yet in our more reflective moments, we recognize that for every youth from a hardscrabble neighborhood who succeeds, several more do not. "I'm tired of hearing about kids in poor neighborhoods who beat the odds," declares Geoffrey Canada, President and CEO of the Harlem Children's Zone. "I want to change the odds."

We can change the odds. In some important ways, New York's policymakers have already done quite a bit. But to really make a difference in the lives of low-income children in New York, we have to work for concrete reforms that can make a difference in the lives of New York's children. What are they? Read on.

What does it mean to be poor or low-income?

Arguments rage over the best approach to measuring poverty. Is poverty about not having enough money to cover basic needs? If so, which needs? Is it about education, social status, neighborhood? Is it about falling behind the mainstream of our economy and society, or living one bad break away from homelessness?

The federal government uses a relatively simple (and widely disputed) benchmark: the federal poverty threshold. If your income falls below a certain level, you are counted as poor. In 2008, a family of four earning \$21,200 was considered poor. That's a very low standard, and it fails to account for housing costs. Most experts focus on "low-income" families – those families earning up to twice the poverty threshold, or \$42,400.

All told, two in five children in New York State live in low-income families, or about 1.7 million children.

Some facts about low-income New Yorkers:

- *Most work:* Five out of six low-income children live in a family where at least one adult works.
- *Education status is low:* In two-thirds of low-income families, the most highly educated parent has no more than a high school diploma, and only one in 12 has a bachelor's degree; among families above the low-income line, only one in five is limited to a high school diploma, and more than half possess a bachelor's degree.
- *High proportion are black and Hispanic:* While two in five children in New York are black or Hispanic, almost three in five low-income children are black or Hispanic. But there are still more low-income white children in New York than any other race or ethnicity.

As many as 40% of all Americans have lived in poverty at one time in their life. For a large proportion of low-income New Yorkers, financial hardship is something that comes and goes. It is not a constant. Perhaps partly for this reason, surveys show that fewer than half of all adults with incomes under the poverty line label themselves "poor" or "working poor," preferring instead labels like "working class" and "middle class." So the

remedies for child poverty must address differing needs: strategies to reach concentrated multi-generational poverty, and other strategies to reach people who have fallen into poverty and can climb back out with a little help.

Why does poverty matter in New York?

Improving the lives of low-income families should be a high priority for New York, even – or especially – in a recession. First, there is no clear line between low-income families and those in the rung above. Trends now affecting the middle class, such as rising gas prices and deteriorating health coverage make middle-class life more insecure than ever before. Most of the measures that help families living in concentrated poverty also aid families struggling to get back on their feet after a setback.

Furthermore, lagging neighborhoods and dependent families hold our economy and society back. New York competes in a global economy that increasingly devalues natural assets, like copper or deepwater ports, in favor of those that must be built up over time. Regions with educated and technologically savvy workforces are already outcompeting those that tolerate high dropout rates and large pockets of concentrated poverty. By investing in our state's children, youth and families, we invest in the future of the New York economy.

What can we do?

Some key steps that we can take to improve economic security for our children would include:

- *Make work pay:* Improve the state Earned Income Tax Credit, index the minimum wage for inflation, and create a family leave program
- *Establish universal health coverage for children and their families:* The cost of health care emergencies is the single largest cause of bankruptcy – and the ranks of the underinsured are growing.
- *Improve education and training opportunities:* Education is the single most essential policy lever to give low-income children the opportunity to enter the middle class as adults. Yet New York can do much more.
- *Invest in early care and education:* The years leading to kindergarten are the most important in terms of brain development. New York should fund a comprehensive system of prenatal and postpartum care and home visiting; increase child care subsidies; create a truly universal Pre-K program; and support the early care and education workforce through loan forgiveness and equitable compensation.
- *Expand the supply of affordable housing:* New York State has an extremely high cost of living, and surveys consistently show housing costs that make asset-building and post-high school education and training unachievable.

Children are often hailed as the future of our country. Yet we invest much less in our country's future than we may realize. A recent study by First Focus discovered that only one penny out of every new non-defense dollar spent by the federal government went towards children over the past five years. There is no telling what a similar children's budget for New York State might tell us. But we as citizens need to demand that our policymakers take real action to give children – and our state – a serious chance to reach the yellow-brick road of success.

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