

# OUR KIDS, OUR FUTURE: A FOREWORD

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**I**n the coming decades, the ratio of seniors to those of working age will be twice as great as it was in the 20th century. This means far fewer workers to support our economy and replace those who are retiring.<sup>1</sup> This shift would be even more dramatic if it weren't for immigration, because grown children from immigrant families will account for about three-quarters of the growth in working-age population projected from 2020 to 2030.<sup>2</sup>

Thus, it is more critical now than ever to invest in our children, who will make up our future workforce. Yet we have seen the opposite trend. Children in the United States experience poverty at a rate that is more than 62.5 percent higher than that of adults. Put another way, children make up 23 percent of the U.S. population but account for 33 percent of the population living in poverty.<sup>3</sup>

These numbers get even more alarming when taking into account families living just above the poverty line. More than 40 percent of children younger than 18 are living in low-income families, with an annual income of less than \$50,000 a year for a family of four, two adults and two children.<sup>4</sup> These numbers translate to millions of children who are trying to thrive each day and, through no fault of their own, are faced with barriers at every stage of their development.

Because of our country's long history of structural racism and discrimination, people of color experience poverty and financial insecurity at disproportionately high rates and are thus more likely to depend on antipoverty programs. This is certainly true for children of color, who experience poverty at nearly three times the rate of white children. Compounding high rates of poverty among black children is the growing trend toward communities of concentrated poverty.<sup>5</sup> For Native American children, historical trauma and exclusionary U.S. government policies continue to cause tragically high rates of poverty.

Children of immigrants are the fastest-growing group of American children. The 18 million children who live in a family with at least one immigrant parent<sup>6</sup> face unique cultural and systemic barriers to attaining economic security. Harsh immigration policies and polarized political debates play a role in the economic hardships faced by both lawful and undocumented immigrant families. Fear of deportation and family separation drives immigrant children and families away from the normalcy of their daily lives and into the shadows of their communities, including holding back from

attending school and accessing critical benefits.

The United States spends much less of its gross domestic product on benefits for families—less than 1 percent—than do other middle- and high-income countries. In comparison with 21 other countries, the United States ranks second-to-last in its spending on families.<sup>7</sup> Each year, First Focus publishes an analysis of spending on children in the federal budget; in 2017, we found that less than 8 percent of federal spending was for children, despite the fact that they make up 25 percent of the nation's population.<sup>8</sup> Although research shows that money matters for child development and academic achievement,<sup>9</sup> just under 25 percent of all poor families who are eligible for cash assistance receive it.<sup>10</sup>

This is not to say there are not effective antipoverty programs operating in the United States that provide critical assistance to families struggling to make ends meet. The Supplemental Nutrition Assistance Program (SNAP) combats hunger and lifts five million children out of poverty annually, while the earned income tax credit and child tax credit together also lift five million children out of poverty. These programs also have long-term benefits, with children in families who accessed these benefits having higher educational attainment and being likelier to earn more as adults.<sup>11</sup>

Yet the persistently high level of child poverty in the United States indicates that we are not doing enough to ensure that every child has a fair shot at succeeding, and there is no long-term national strategy to address child poverty and the negative outcomes associated with it.

The nation should look to other countries for guidance. In 1999, the United Kingdom established a national child poverty target and then implemented a mixture of policies including investments for children, measures to make work pay, and efforts to increase financial support for families. As a result, the nation cut its child poverty rate in half within a decade (2000–2010). In contrast, at approximately the same time, the U.S. child poverty rate increased by more than 20 percent, from 16.2 percent in 2000 to 21.1 percent in 2014.<sup>12</sup>

Although child poverty has begun to rise again in the United Kingdom due to austerity measures, the U.K. example is still a valuable one, proving that child poverty is not an insurmountable problem when the political will exists to address it.

Inspired by the U.K. Child Poverty Action Group and other child advocates around the world, in May 2016, First Focus started the U.S. Child Poverty Action Group, a partnership of national child-focused organizations dedicated to cutting the U.S. child poverty rate in half within a decade.<sup>13</sup> This group undertakes its work through raising awareness, building political will, and advocating for policies proven to reduce child poverty. We strive to be a resource for dedicated lawmakers, media outlets, and advocates fighting on behalf of children in poverty.

Given this mission, we put together *Our Kids, Our Future: Solutions to Child Poverty in the U.S.*, a cross-sector guide to reducing child poverty in the United States. Together, the policy briefs included in this compendium demonstrate that in order to make significant progress in reducing child poverty and addressing racial and ethnic disparities, we need a national commitment that involves coordination between federal, state, and local levels of government.

This commitment must include making financial investments that build upon what is working. As Andrew Stettner of The Century Foundation details in this compendium, building upon the effectiveness of family tax credits through the creation of a universal child allowance would go further toward ensuring that all children live in households with enough resources to meet their basic needs and support their healthy development.

Other papers in the compendium include recommendations on increasing access to affordable and quality childcare and early childhood education, reducing the effect of poverty on student achievement and attainment, addressing the increase in child welfare cases due to the opioid crisis, increasing families' access to housing assistance, retooling the federal homeless assistance system, creating a universal paid family leave program, reducing the gender wage gap, addressing unique barriers faced by children of immigrants, supporting family asset building, and more.

In the United States, there are millions of children living in poverty each day and trying to thrive but, through no fault of their own, faced with barriers at every stage of their development. Let us do right by these children and prove we recognize their value by making child poverty reduction in the United States a top priority.

Reducing child poverty is not only the right thing to do but necessary for our nation's future economic success. Everyone—regardless of socioeconomic status—benefits from strategies that lift children out of poverty, because these strategies are tied to economic gains that result in a strong and educated workforce. When *all* children are successful, all of us benefit.

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## ENDNOTES

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