Who are the poor? (1987-2013)

- Rest
- Caring
- Unempl
- Working
- Students
- Disabled
- Elderly
- Children

Percent of the poor

Year:
- 1988
- 1992
- 1996
- 2000
- 2004
- 2008
- 2012
Child Poverty Rates

● Official - 19.9% (14.7 million)

● Supplemental - 16.5% (12.2 million)

● Relative - 20.5% (15.1 million)
  ○ Ahead of only Israel and Spain among developed.
For every $100 the poorest American children have, how much do the poorest children in other countries have? (2005)
Why Is Child Poverty So High?

1. Children need income. Markets don’t deliver.

2. Peak fertility is during lowest earning years.
US Child Benefits

- Child Tax Credit
- Dependent Exemption
- Child and Dependent Care Tax Credit
- Head of Household Filing Status
- Earned Income Tax Credit
Better Way: Universal Child Benefit

- $300 per month per child paid by SSA.
  - Gross cost: $265 billion (1.6% of GDP)

- Eliminate Child Tax Credit, Dependent Exemption, Head of Household Filing Status, Child and Dependent Care Tax Credit.
  - Savings: $100 billion.

- Reform Earned Income Tax Credit.
Official Poverty Metric

Poverty Rates With Child Allowance (2012)

- Current
- With Allowance

Percent in Poverty

- Child
- Adult
- Total
Official Poverty Metric

Poverty Reduced By Allowance (2012)

- Millions of People
- Child: 6
- Adult: 4
- Total: 12
Figure 1: Absolute Poverty in the U.S. & U.K. 1989–2009
Possible Even If Unlikely

We could cut child poverty dramatically by doing what other countries do. We choose not to.