

Last month, Senator Elizabeth Warren gave a powerful speech at the Edward M. Kennedy Institute for the U.S. Senate.<sup>1</sup> She recalled Senator Kennedy's first speech on the Senate floor, given a few months after President Kennedy's assassination and during the height of the civil rights movement in which he called upon Americans to "use their powers not to create conditions of oppression that lead to violence but conditions of freedom that lead to peace."<sup>2</sup> In her speech, Senator Warren reminded us of our painful past --our history of slavery and lynchings and poll taxes and cross burnings. Of Jim Crow and segregation. Of Bloody Sunday at the Edmund Pettus Bridge and the burning and murder of three black girls at the Sixteenth Street Baptist Church. Of fire hoses turned on black protesters and police officers siccing their dogs on them. She spoke of government-created structures and practices to enforce and enshrine discrimination in public accommodations, schools, employment, housing and financial institutions.<sup>3</sup>



Senator Warren's speech reminds us that the injustices of yesterday are present today in the legacy that racism and oppression has sowed and in the societal institutions and practices created to maintain that oppression. We have a long way to go in dismantling the legacy of racism. Nowhere is that more evident than in the recent poverty statistics for African American children, which show that, at 37 percent, black childhood poverty remains among the highest of any group. Moreover, poverty among African American children is more concentrated in high poverty communities in ways that perpetuate chronic and generational poverty. This fact sheet outlines some of the key poverty statistics for African American children and offers policy recommendations to reduce poverty among children overall, and specifically among African American children and children of color.

### Key Poverty Statistics

According to the U.S. Census Bureau, poverty has remained largely constant for children at 21 percent, with the poverty rate for white children at 12 percent, Hispanic children at 32 percent, and Native American children at 37 percent.<sup>4</sup> The poverty rate for African American children is also 37 percent.<sup>5</sup> For African American children under the age of 6, the poverty rate is even higher at 43 percent.<sup>6</sup> For the first time in our history, the number of poor African American children may exceed the total number of poor white children, even though white children far outnumber African American children in the general population.<sup>7</sup>

### Impact of Concentrated Poverty

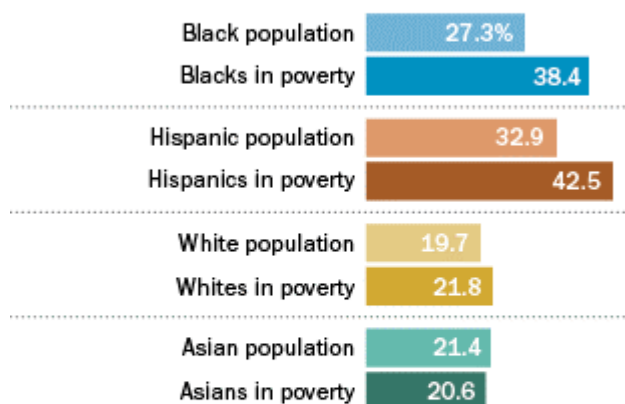
Compounding high rates of poverty among African American children is the growing trend in communities of concentrated poverty.<sup>8</sup> African American children, like African American adults, tend to live in communities of concentrated poverty, defined at neighborhoods or tracts where 40 percent or more of its residents fall below the federal poverty level. According to a study by the Century Foundation analyzing

poverty trends from 2013, concentrated poverty corresponds to race to such an extent that 28 percent of black children live in high poverty neighborhoods.<sup>9</sup> The study found the following percentages of concentrated poverty among African Americans nationally:

- Almost one-third of African Americans in 13 states live in high poverty neighborhoods;
- 20 percent of African Americans in 6 states live in high poverty neighborhoods; and
- 15 percent of African Americans in 7 states live in high poverty neighborhoods.<sup>10</sup>

## Children a Disproportionate Share of Poor Blacks and Hispanics

*Children's share of ...*



Note: Whites include only single-race non-Hispanics. Blacks and Asians include both the Hispanic and non-Hispanic components of the single-race black and Asian populations. Hispanics are of any race.

Source: U.S. Census Bureau, 'Income and Poverty in the United States: 2013'

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Poverty carries its own unique set of barriers and challenges that work to limit and constrain the lives of young black children from cradle to grave. Being poor and living among other poor residents in neighborhoods of concentrated disadvantage compounds the problems of poverty and often results in life sentences of poor physical and mental health, high levels of stress, inadequate housing, low academic achievement from school systems lacking resources and qualified educators and administrators, food insecurity, significantly higher rates of crime and violence and fewer employment and economic opportunities handed down to future generations.<sup>11</sup>

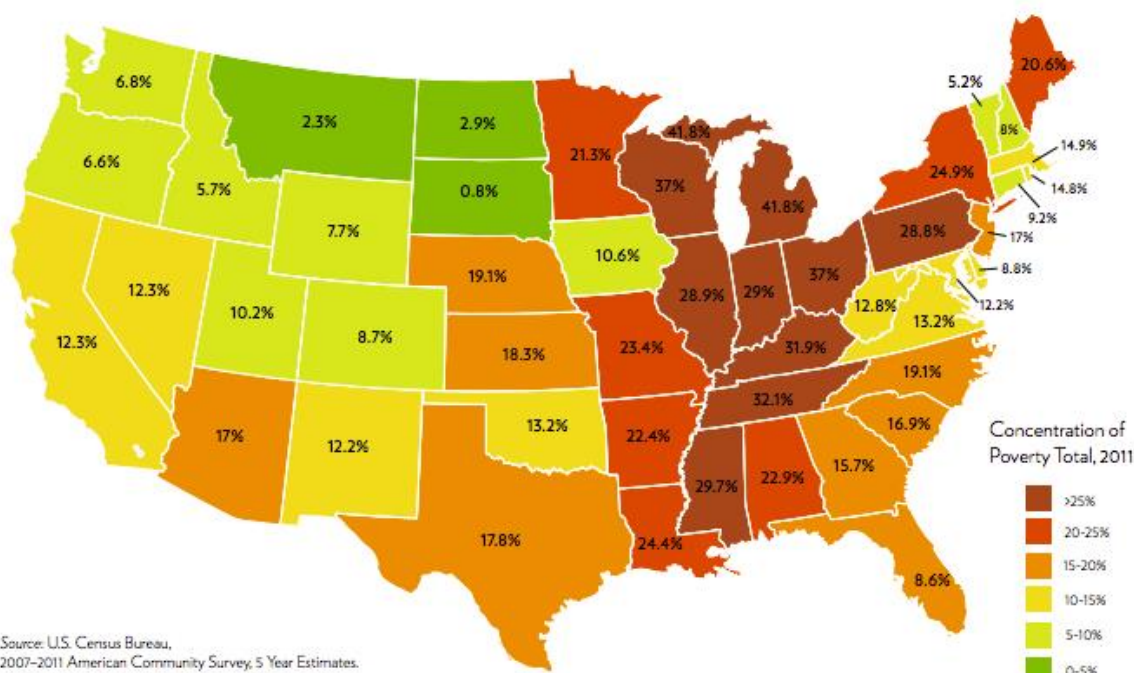
In addition to the health and academic consequences of high poverty communities, researchers have studied the downward force that high poverty communities exert on the ability of families to escape poverty. Shortly after the Los Angeles riots of 1992, Congress passed the Moving to Opportunity for Fair Housing Demonstration Program (MTO). MTO was a federal anti-poverty experimental program that provided vouchers to poor families residing in public housing projects in inner cities to move to better

neighborhoods.<sup>12</sup> The goal of the program was to study whether moving poor families to better neighborhoods improved their earning potential, the academic achievements of their children, and their overall life course development. Initial impact studies of the MTO experiment were disappointing in that they showed that neighborhood poverty had no impact on adult earnings and no consistent impact the academic performance of children.<sup>13</sup>

Recently, however, Harvard University economists Raj Chetty and Nathaniel Hendren conducted a follow-up study of the family characteristics and outcomes of over 5 million poor and low-income children who moved to better neighborhoods as a result of the MTO. The new research, part of the Equality of Opportunity Project, found that neighborhood income during childhood strongly predicts adult incomes. Poor children who grew up in neighborhoods with less poverty made more money as adults, and stand a greater chance at escaping poverty than children in high poverty communities.<sup>14</sup>

As a result of these new findings, researchers have identified 100 counties where neighborhoods impact the percentage gain or loss in income for children in low-income families.<sup>15</sup> High poverty cities such as Baltimore, Maryland; Charlotte, North Carolina and Detroit, Michigan; had the greatest negative impact on children. Not surprisingly, these place-based disparities amplify racial inequality with high poverty communities actively constraining the opportunities of poor black children and “molding them over time to be the kind of adults who will remain deeply poor.” These factors have lead policymakers to opine that every year of childhood lived in high poverty communities whittles away at a poor kid’s odds of thriving as an adult in a way that can be measured by his potential earnings in adulthood.<sup>16</sup> In real health, academic and economic terms, race and place matter to the futures of children, particularly black children.

## Black Concentration of Poverty, 2007-2011



## Profiles of High Poverty Communities

### Rochester, New York's Crescent of Poverty

Rochester, New York is one of the metropolitan areas with the highest concentration of black children living in poverty. In Rochester, concentrated poverty in five neighborhoods clustered around the northern border of downtown has led the community to be called the Crescent of Poverty where the city's highest percentage of black residents, Latino and immigrants live. Forty-five percent of the Crescent's residents lack a high school diploma.<sup>17</sup> A large stock of its housing is boarded up and abandoned, attracting criminals who use empty housing for drug trafficking. Crime is so rampant that it has been further nicknamed Fatal Crescent.<sup>18</sup> A few additional tragic statistics: the Crescent has one of the highest infant mortality rates in the nation, it ranks 7<sup>th</sup> in nation with the highest percentage of child poverty and many of its sections have been designated as food deserts.<sup>19</sup>

### Baltimore-Charm City

Long before the Freddie Gray incident shined national attention on Baltimore, the decks were stacked against African American children growing up in Charm City. In a city where 63 percent of its residents are African American, the child poverty rate stands at 35 percent, and another 61 percent of its children live in low-income households. For young African American men between the ages of 20-24, the unemployment rate is 37 percent, compared to just 10 percent for white men of the same age. One-third of Maryland residents in the state's prisons are from the city of Baltimore.<sup>20</sup>

If we look closer at the highest poverty neighborhoods in Baltimore, in Sandtown-Winchester where Freddie Gray, the 25-year-old African American man who died while in Baltimore police custody in April 2015, grew up and other communities, such as Upton and Druid Heights, 50 percent of its residents are unemployed. One-third of its residential housing stands abandoned and boarded-up, and the life expectancy of residents is 20 years less than the rest of Maryland. Despite sharp declines, the city of Baltimore has nearly three times the national rate of lead poisoning among children, and neighborhoods like Sandtown are responsible for a significant number of the city's cases over the last five years.

Beyond Rochester and Baltimore lies many other cities and towns where concentrated poverty negatively impacts all children and particularly children of color. These examples serve as our call to action to take deliberate steps to reduce poverty and improve the economic stability of children, families and their communities.

## Policy Solutions

Policymakers have the power to change this or in the words of the late Senator Kennedy, "sow conditions of freedom that lead to peace." And in the words of Senator Warren, declare that "Black Lives Matter, Black Citizens Matter, Black Families Matter."<sup>21</sup>

What should they do?

**Establish a National Child Poverty Target in the United States**, to cut child poverty in half in ten years and eliminate it in twenty years, including high rates of poverty among black, Latino, and Native American children. Passage of the Child Poverty Reduction Act (H.R. 2408/S.2224) will accomplish this goal by

creating accountability and building momentum to implement targeted policies that improve the health, education and economic stability of children, starting early in life with supports and systems that foster their development.<sup>22</sup>

**Establish a Children’s Commission to operate as a national clearinghouse to promote policies and practices in the best interests of all children.** Given the nature and importance of policies that impact children’s lives across a broad spectrum of issues, the enactment of a Children’s Commission would help promote a broad range of policies that range from health, educational, nutritional, environmental, welfare, tax, housing and criminal justice to highlight the holistic needs of children, while emphasizing and elevating specific policies that remove barriers for African American, Hispanic and Native American children who suffer from the legacy of discrimination and inherited disadvantage.<sup>23</sup> For example, the Senate recently passed the Alyce Spotted Bear and Walter Soboleff Commission on Native Children Act (S. 246) to address high rates of poverty and other complex challenges faced by Native American children.<sup>24</sup>

**Improve tax credits for families.** Every year the Earned Income Tax Credit (EITC) and Child Tax Credit (CTC) lift millions of children and families out of poverty. Yet, improvements are needed so that these credits not only remain effective, but also reach the poorest children and families.

- The CTC’s maximum value of \$1,000 per child has remained flat since 2004. The CTC should be indexed for inflation every year so families can see this credit grow with the normal rate of inflation.
- The 2009 stimulus package made important improvements to the EITC and CTC, which increased the number of families who could claim these credits. Yet, these improvements expire at the end of 2017. Congress should make these improvements permanent so low-income families can continue to get tax relief. Letting these provisions expire would let over 6 million children fall into poverty.
- Given the high poverty rate for young children, Congress should create a “baby bonus” within the CTC, which would double it to \$2,000 for the first two years of a child’s life to support parents raising a newborn baby.<sup>25</sup>

**Develop and invest in community-based solutions to reduce child poverty and address racial and economic inequality,** such as:

- The Promise Neighborhoods initiative, which through grants from the U.S. Department of Education, provides the framework and investment for communities to design strategies to provide a pipeline for educational success and healthy development, and track progress.<sup>26</sup> There are Promise Neighborhood sites in over 50 communities, and some have already shown successes in the areas of school readiness and decreased absenteeism.<sup>27</sup>
- Affordable and adequate housing for all families - due to the recession and our long history of housing discrimination, many low-income families and families of color lack access to affordable, adequate and stable housing, which is necessary for children to grow and thrive. New guidance released by U.S. Department of Housing and Urban Development on the Fair Housing Act provides tools for communities to identify racial bias in their housing patterns and then create a plan to utilize funds to reduce barriers to affordable and adequate housing.<sup>28</sup>

**Invest in Multigenerational and Early Childhood Policies,** such as evidence-based home visiting, which has been proven to empower children and families to improve their health, educational attainment and economic stability. Funding for the Maternal, Infant and Early Childhood Program should be significantly increased to serve every eligible family. Similarly, investments in high-quality childcare and preschool programs should be increased to serve more children and families, particularly in high poverty neighborhoods.



### **Reform School Financing to Increase Per-Pupil Educational Funding for Low-Income Students.**

Quality public education has long served as a pathway for millions of children of color to achieve economic and social mobility. However, educational funding for schools with large populations of students of color is often significantly less than more affluent communities, resulting in large differences in per-pupil spending across wealthy and poorer school districts and white and minority students. Research shows that increases in per-pupil spending, including increases mandated by school finance reforms, lead to significant increases in the likelihood of high school graduation and educational attainment for poor children, which in turn leads to reductions in the achievement and wealth gap between affluent and poor families. Moreover, research finds that the educational gains resulting from increased per-pupil go above and beyond benefits of other social programs aimed at reducing poverty.<sup>29</sup> We therefore recommend national school finance reforms that significantly increase per-pupil funding for low-income students.

**Create a National Truth and Reconciliation Commission.** In order for our nation to create an environment for all children to thrive, we must first acknowledge that racism and discrimination are the root causes of many of the disparities that exist for African American and other children of color. Once we acknowledge this, we can then work towards eliminating institutional inequities and the inherited disadvantage in the lives of children of color. Other nations have successfully used truth and reconciliation forums to heal the wounds from past acts and current consequences of racism, discrimination and oppression. It's time that our nation did the same for the least among us, our children.

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<sup>24</sup> Alyce Spotted Bear and Walter Soboleff Commission on Native Children Act, S. 246, 114<sup>th</sup> Cong. 2015).

<sup>25</sup> For additional detail on First Focus's tax policy agenda, visit: <http://firstfocus.org/resources/fact-sheet/114th-congress-pro-child-pro-family-tax-policy-agenda/>.

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