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Young Child Poverty in 2009: Rural Poverty Rate Jumps to Nearly 29 Percent in Second Year of Recession

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American Community Survey (ACS) data released by the U.S. Census Bureau on September 28, 2010, reveal the impact of the recession on children, particularly young children under the age of 6. For many young children, the likelihood of living in poverty increased significantly since 2007 and 2008. Also striking is the very high rate of young child poverty experienced by those in the rural South: more than three out of ten young children in the rural southern United States are poor, and the poverty rate increased by over two percentage points to 33.3 percent for these children. Nearly 29 percent of young children in rural America are living in poverty.

Although all children suffer consequences of being poor, young children are especially vulnerable.[1] The consequences of early poverty ripple through the life cycle for many children. Childhood health problems often follow into adulthood, and early childhood poverty is correlated with fewer years of completed schooling.[2]

While changes from 2008 through 2009 are important, they cannot fully reflect the impact of the recent recession. By looking back not only to 2008, but also to 2007, we get a broader perspective on how poverty rates have changed during the current recession. Experts also predict that with continued high unemployment, poverty rates will continue to rise through 2010 and 2011.[3]

Table 1 is restricted to very young children and estimates of those in poverty and poverty rates for 2009 by region and for the United States. We also present the percentage point change since 2007 and 2008, with statistically significant changes indicated (*$p<0.05$). Poverty determination is based on the U.S. Office of Management and Budget income thresholds, which vary by family composition. In 2009, the poverty line for a family of four (two adults, two children) was $21,756.[4]

Key Findings

- Nearly 5.7 million children under age 6 live in poverty in America. Over one million of these poor young children live in rural America.
- More than one in four young children living in rural America was in poverty in 2009.
- Poverty among young children increased significantly since 2007 in the rural Northeast, Midwest, and South, and in the suburban places of each region. In all regions, rural poverty is greater than that in the suburbs but lower than in the central cities, except in the West, where rates are similar to those experienced in urban places.
- In the urban Midwest and West, young child poverty significantly increased between 2008 and 2009 and between 2007 and 2009.
- Young children's likelihood of living in poverty increased the most in the rural and urban Midwest, where the poverty rate increased by 4.4 and 3.4 percentage points, respectively, over the past two years.
- Young children in the rural South remain the most likely to be poor, with one out of three children living in poverty.
- Young children were more likely to be poor than all children in the rural and suburban areas of all regions and urban areas in the South, Midwest, and West.
- The number of young children in poverty did not decline in any urban, suburban, or rural regional breakdown since 2008, and many areas saw increases in the number of children under age 6 living in poverty.

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TABLE 1. YOUNG CHILD POVERTY BY PLACE SIZE IN 2009

2009 AMERICAN COMMUNITY SURVEY

	RURAL					SUBURBAN					CENTRAL CITY				
	Population under age 6 for whom poverty is determined	Below poverty	Percent below poverty	Percent Change Since 2008	Percent Change Since 2007	Population under age 6 for whom poverty is determined	Below poverty	Percent below poverty	Percent Change Since 2008	Percent Change Since 2007	Population under age 6 for whom poverty is determined	Below poverty	Percent below poverty	Percent Change Since 2008	Percent Change Since 2007
United States	**3,686,503**	**1,054,998**	**28.6**	**2.1***	**2.9***	**12,400,000**	**2,135,888**	**17.2**	**1.8***	**2.4***	**8,703,139**	**2,489,511**	**28.6**	**2.0***	**1.8***
Northeast	329,245	72,618	22.1	1.3	3.2*	2,307,448	289,513	12.5	1.4	2.1*	1,314,817	382,989	29.1	1.6	-0.8
Midwest	1,102,241	280,483	25.5	2.7*	4.4*	2,488,582	381,659	15.3	1.9*	2.4*	1,625,236	519,537	32.0	3.1*	3.4*
South	1,704,913	568,292	33.3	2.2*	2.3*	4,667,393	924,346	19.8	2.0*	2.4*	3,077,449	942,840	30.6	1.6	1.3
West	550,104	133,605	24.3	1.1	1.5	2,956,469	540,370	18.3	1.7	2.6*	2,685,637	644,145	24.0	2.0*	2.8*

*P < 0.05

[2] Levels of urbanization are defined as follows: rural consists of ACS geographic components "not in metropolitan or micropolitan statistical area" and "in micropolitan statistical area," suburban includes "in metropolitan statistical area—not in principal city," and central city includes "in metropolitan statistical area—in principal city."

[3] Data are based on 2009 American Community Survey estimates. For corresponding margins of error, refer to the U.S. Census American Community Survey.

[4] Percentage point changes are based on unrounded poverty percentages and may differ slightly from those that would be obtained using rounded figures.

Earlier this month, the U.S. Census Bureau released nationwide estimates of poverty. These data suggest the poverty rate, at 14.3 percent, is up from 2008 and at its highest since 1994. There are an estimated 43.6 million people living in poverty, the most since measurement began over fifty years ago. The rate for children is up to 20.7 percent, an increase of 1.7 percentage points since 2008,[5] a total increase of 2.7 percentage points since 2007 when the rate was 18 percent. Children were the age group most likely to be poor; in 2009, an estimated 15.5 million children were poor. They comprise 35.5 percent of the poor but are only 24.5 percent of the total population, according to the U.S. Census Bureau report. The report also indicates a rise in the poverty rate for young children. While 21.3 percent of young children were poor in 2008, this reached 23.8 percent, or nearly one in four, in 2009. The ACS samples approximately three million households in the United States each year, whereas the Current Population Survey (CPS), the source for poverty data released earlier this month, relies upon fewer than 100,000 households monthly. With its larger sample size, the ACS data allow examination of the poverty rate by state and place.[6]

Table 2 shows estimated child poverty numbers and rates for each state, region, and the nation by place. These differences are likely driven by a host of factors not captured here, including the demographics of the population (race, single motherhood, parental education and employment, and so on) and local characteristics, including access to services, housing quality, social capital, and job market conditions. Again, we present the percentage point change since 2007 and 2008, with statistically significant changes indicated (*p<0.05).

Table 2 highlights the differences in child poverty rates.

- Children under age 18 are most likely to be poor in rural Mississippi, Arizona, South Carolina, Kentucky, urban Ohio, Michigan, Pennsylvania, Mississippi, Tennessee, and Georgia. More than three in ten children in these places are poor.
- Children under age 18 are least often poor in suburban America, where estimated poverty rates are below 10 percent in thirteen states. Rates are also very low in rural Connecticut, Nevada, and New Hampshire, and in urban Wyoming.
- In seven states, Alaska, Arizona, Florida, Kentucky, North Carolina, Oregon, and Washington, rural child poverty rates exceed those in urban places. In an additional twenty-two states, rural child poverty rates are similar to urban rates; suburban child poverty did not exceed rural child poverty in any place except suburban Nevada.
- Across the United States, rural child poverty rates increased significantly over the past two years. Rural child poverty rates increased in every region except the Northeast.
- Rural child poverty increased in fourteen states between 2007 and 2009. Increases were also evident in the suburbs in twenty states and in urban places in thirteen states during these years.

TABLE 2. CHILD POVERTY BY PLACE SIZE IN 2009

2009 AMERICAN COMMUNITY SURVEY

	RURAL					SUBURBAN					CENTRAL CITY				
	Population under age 18 for whom poverty is determined	Below poverty	Percent below poverty	Percent Point Change Since 2008	Percent Point Change Since 2007	Population under age 18 for whom poverty is determined	Below poverty	Percent below poverty	Percent Point Change Since 2008	Percent Point Change Since 2007	Population under age 18 for whom poverty is determined	Below poverty	Percent below poverty	Percent Point Change Since 2008	Percent Point Change Since 2007
United States	**11,300,000**	**2,734,167**	**24.2**	**1.9***	**2.3***	**38,300,000**	**5,661,376**	**14.8**	**1.6***	**1.9***	**23,700,000**	**6,261,419**	**26.4**	**2.0***	**1.7***
Alabama	311,741	97,388	31.2	4.9*	3.9*	498,537	85,142	17.1	1.7	-3.3	303,501	92,376	30.4	2.1	2.2
Alaska	43,950	7,835	18.0	0.9	-1.6	39,734	3,990	10.0	1.4	1.1*	82,619	9,580	11.6	2.5	2.2
Arizona	129,364	43,734	33.8	5.9*	2.8	734,589	124,814	17.0	0.9	1.2	840,531	229,512	27.3	3.5*	5.0*
Arkansas	264,302	80,108	30.4	3.2	1.5	224,641	48,620	21.6	2.9	0.7	207,796	60,170	29.0	0.2	1.9
California	168,832	34,115	20.2	-1.6	1.8	4,774,959	862,841	18.1	1.7*	2.9*	4,341,501	949,785	21.9	1.3*	2.4*
Colorado	151,987	29,668	19.5	6.0*	0.8	607,525	73,193	12.1	1.5	0.8	452,372	107,337	23.7	1.9	1.1
Connecticut	65,109	6,383	9.8	-0.8	2.3	510,240	42,689	8.4	0.2	0.7	224,329	47,821	21.3	-1.8	1.0
Delaware	39,318	6,903	17.6	-2.8	3.9	140,466	19,405	13.8	3.3	2.3	23,469	7,200	30.7	9.8	-4.8
Florida	210,059	62,230	29.6	1.9	8.1*	2,752,961	530,117	19.3	2.4*	4.1*	1,031,144	259,456	25.2	4.7*	3.8*
Georgia	438,323	137,408	31.3	4.4*	5.5*	1,697,302	299,883	17.7	1.8*	2.7*	408,907	131,033	32.0	1.7	-0.5
Hawaii	87,745	12,665	14.4	3.5	3.1	134,250	19,314	14.4	5.6*	4.4*	62,253	7,262	11.7	0.1	4.6
Idaho	140,599	26,644	19.0	-1.7	1.3	156,179	23,439	15.0	3.1	1.8	116,911	24,925	21.3	6.1*	4.2
Illinois	355,501	80,657	22.7	3.3*	5.3*	1,717,874	223,508	13.0	1.6*	2.0*	1,057,475	287,233	27.2	1.6	1.4
Indiana	331,751	68,271	20.6	1.0	2.6*	745,584	95,872	12.9	0.2	1.3	481,426	146,888	30.5	4.7*	5.3*
Iowa	295,862	46,072	15.6	-0.6	0.8	201,668	17,736	8.8	1.2	2.5*	199,650	45,615	22.8	4.1	3.6
Kansas	209,118	40,300	19.3	2.4	2.4	255,271	28,194	11.0	3.5*	2.2	224,632	52,901	23.6	4.4*	5.2*
Kentucky	409,132	130,686	31.9	3.0	2.6	359,144	67,191	18.8	2.1	1.5*	229,054	57,239	25.0	0.1	0.5
Louisiana	288,380	85,842	29.7	0.9	-4.1*	500,822	94,135	18.8	1.4	-0.8	317,484	88,059	27.7	-4.7*	-3.8*
Maine	107,321	21,085	19.6	2.0	1.2	116,751	13,487	11.6	0.6	-0.1	40,000	10,618	26.5	0.2	8.4
Maryland	65,847	9,806	14.9	1.3	3.9	1,039,730	91,599	8.8	0.8	0.9	225,218	52,644	23.4	4.2	1.9
Massachusetts	N/A	N/A	N/A	N/A	N/A	1,085,713	107,292	9.9	1.0	0.9	324,778	78,321	24.1	1.3	-1.8
Michigan	386,924	88,122	22.8	2.5*	3.2*	1,272,068	189,931	14.9	2.0*	2.4*	651,214	241,775	37.1	4.6*	3.7*
Minnesota	294,936	47,397	16.1	2.3*	2.7*	655,757	59,685	9.1	1.7*	0.7	287,554	66,898	23.3	4.8*	3.5*
Mississippi	414,722	156,926	37.8	2.9	2.7	247,770	46,757	18.9	-2.2	1.9	88,340	28,945	32.8	-2.8	-3.2
Missouri	339,315	89,421	26.4	1.9	4.8*	770,609	116,133	15.1	2.6	2.4*	294,886	85,405	29.0	1.1	3.0
Montana	140,697	31,291	22.2	0.1	1.9	26,780	2,962	11.1	-3.1	-0.4	49,114	12,145	24.7	4.7	7.7
Nebraska	172,719	26,032	15.1	1.3	1.0	92,935	7,546	8.1	-0.6	0.0	169,778	32,771	19.3	2.9	0.6
Nevada	49,261	5,361	10.9	-1.6	-3.0	317,269	51,893	16.4	2.8	3.3*	288,754	57,040	19.8	2.7	2.2
New Hampshire	89,176	9,934	11.1	-1.7	2.3	142,675	10,333	7.2	3.1*	1.9	43,352	8,780	20.3	3.1	2.7
New Jersey	N/A	N/A	N/A	N/A	N/A	1,805,776	211,635	11.7	1.3*	2.2*	219,942	61,062	27.8	-0.9	-1.6
New Mexico	178,046	43,185	24.3	-3.4	-3.5	155,696	43,483	27.9	5.6*	2.4	173,400	41,443	23.9	1.6	0.9
New York	318,715	66,869	21.0	0.5	1.5	1,881,155	192,118	10.2	1.1	1.6*	2,151,977	609,367	28.3	0.9	-0.3
North Carolina	636,433	182,994	28.8	3.6*	4.4*	897,511	159,622	17.8	2.3*	3.7*	705,736	162,321	23.0	2.0	0.8
North Dakota	71,890	10,886	15.1	-1.0	-0.2	27,026	1,521	5.6	-7.2*	-2.3	40,740	5,741	14.1	-1.4	0.2
Ohio	521,126	119,506	22.9	3.3*	4.3*	1,513,156	221,369	14.6	3.1*	2.5*	639,445	243,435	38.1	3.3*	3.6*
Oklahoma	317,200	80,373	25.3	1.0	0.1	332,160	52,025	15.7	0.1	0.2	253,683	68,225	26.9	-0.1	-1.0
Oregon	181,564	44,284	24.4	2.3	3.2	397,629	64,540	16.2	0.6	1.9	277,862	55,502	20.0	1.0	2.1
Pennsylvania	407,767	70,963	17.4	0.9	0.6	1,727,273	193,079	11.2	0.0	1.2*	588,334	202,596	34.4	2.4	-0.2
Rhode Island	N/A	N/A	N/A	N/A	N/A	149,481	22,796	15.3	2.8	2.4	74,228	14,933	20.1	-1.8	-6.3
South Carolina	212,134	81,166	38.5	7.1*	7.4*	653,270	130,119	19.9	1.3	2.1	166,051	48,144	29.0	2.0	3.1
South Dakota	100,584	22,641	22.5	1.2	1.2	36,869	3,116	8.5	0.2	2.5	54,248	9,740	18.0	-0.1	2.0
Tennessee	370,300	92,748	25.0	0.2	-1.3	589,773	93,344	15.8	3.0*	0.9	506,422	163,759	32.3	2.4	2.4
Texas	736,940	199,496	27.1	1.0	0.4	2,866,225	533,348	18.6	1.9*	1.4	3,198,381	928,558	29.0	1.8*	1.0
Utah	93,785	15,314	16.3	2.3	-1.0	612,769	56,764	9.3	0.8	1.2	154,284	32,922	21.3	5.3*	3.3
Vermont	80,986	12,146	15.0	1.0	0.1	34,141	3,178	9.3	0.3	2.5	N/A	N/A	N/A	N/A	N/A
Virginia	228,278	49,989	21.9	-0.3	2.5	1,135,885	108,498	9.6	0.3	0.6	452,094	94,581	20.9	0.6	1.4
Washington	177,063	41,193	23.3	3.1	3.2	920,683	125,336	13.6	2.1	1.3	448,337	84,301	18.8	0.9	0.1
West Virginia	164,263	47,914	29.2	2.8	2.9	169,016	29,015	17.2	-0.7	-0.8	42,131	11,681	27.7	-1.9	-0.9
Wisconsin	324,750	51,727	15.9	1.0	1.6	591,093	56,468	9.6	1.7*	1.5*	368,659	106,209	28.8	7.8*	3.9*
Wyoming	87,818	11,405	13.0	2.4	-0.7	N/A	N/A	N/A	N/A	N/A	26,536	2,859	10.8	-0.9	3.8
Northeast	1,082,937	188,935	17.4	0.0	1.1	7,453,215	796,607	10.7	0.9*	1.5*	3,676,007	1,031,671	28.1	0.8	-0.1
Midwest	3,404,476	691,032	20.3	1.9*	2.9*	7,879,910	1,021,079	13.0	1.9*	2.0*	4,469,707	1,324,611	29.6	3.5*	3.1*
South	5,138,072	1,302,277	25.2	2.4*	2.5*	14,180,000	2,389,120	16.9	1.7*	1.8*	8,271,950	2,287,524	27.7	1.8*	1.3*
West	1,660,480	351,923	21.2	1.4*	1.0	8,890,633	1,454,570	16.4	1.7*	2.2*	7,314,504	1,614,613	22.1	1.8*	2.5*

N/A = Not applicable

* $P < 0.05$

[1] Levels of urbanization are defined as follows: rural consists of ACS geographic components "not in metropolitan or micropolitan statistical area" and "in micropolitan statistical area," suburban includes "in metropolitan statistical area—not in principal city," and central city includes "in metropolitan statistical area—in principal city."

[2] Data are based on 2009 American Community Survey estimates. For corresponding margins of error, refer to the U.S. Census American Community Survey.

[3] Percentage point changes are based on unrounded poverty percentages and may differ slightly from those that would be obtained using rounded figures.

[4] Places where the percent point change since 2008 is significant but the change since 2007 is not significant experienced declines in the child poverty rate from 2007 to 2008, except suburban North Dakota, where poverty significantly increased from 2007 to 2008 and declined in 2009.

While the official poverty measure is one important indicator of the well-being of America's children, several limitations of the measure may mask the true experiences of the nation. The poverty threshold considers all reported sources of income and cash transfers but excludes the benefit of such programs as income tax credits (for example, the Earned Income Tax Credit (EITC) and the Child Tax Credit) and the Supplemental Nutrition Assistance Program (SNAP). Estimates from the recently released CPS data suggest that if the EITC were weighed, 2.2 million fewer children would be considered below the poverty threshold.[7] When net income after all taxes and credits are considered, this number rises to 2.9 million. Estimates also suggest that SNAP benefits lift 1.7 million children out of poverty. The official poverty measure does include cash transfers such as unemployment insurance benefits and social security income. U.S. Census Bureau estimates suggest unemployment benefits kept one million children out of poverty, and social security kept 1.1 million children above the poverty threshold.[8] These estimates highlight the crucial role of programs to support and assist low-income families.

Rising child poverty indicates a need for policies that focus on children, particularly in the early years. While it may be tempting to cut services to children and families during this "Great Recession," this is a time when policies need to target these groups and do a better job of assisting those who are in poverty. Additionally, since this recession is not over and we have seen dramatic declines in income, many families above the poverty line may need additional support to remain afloat. Investing in children is an essential priority to ensure their long-term outcomes and the future success of the generation. Renewing the provisions provided for in the American Recovery and Reinvestment Act may be an important first step, but other measures to address child poverty and focus on poverty reduction are also important. While the Obama administration has taken important steps to assist struggling families, there is still immense work to be done at both the federal and state levels. Keeping poverty reduction as a top policy priority will enhance the well-being of America's children.

Data

This analysis is based upon U.S. Census Bureau estimates from the 2007, 2008, and 2009 ACS. For more details or information, please refer to the U.S. Census American Community Survey.[9] Tables were produced by aggregating information from detailed tables available on American FactFinder (http://factfinder.census.gov/home/saff/main.html?_lang=en). These estimates are meant to give perspective on child poverty, but since they are based on survey data, caution must be used in comparing across years or places, as the margin of error may indicate that seemingly disparate numbers fall within sampling error.[10] Regional differences highlighted in this brief are statistically significant ($p<0.05$).

ENDNOTES

1. Jeanne Brooks-Gunn and Greg. J. Duncan, "The effects of poverty on children," *The Future Of Children / Center For The Future Of Children, The David And Lucile Packard Foundation*, 7 (1997): 55–71; See also Robert H. Bradley et al., "The home environments of children in the United States part I: Variations by age, ethnicity, and poverty status," *Child Development*, 72 (2001): 1844–1886.

2. See Anne Case, Angela Fertig, and Christina Paxson, "The lasting impact of childhood health and circumstance," *Journal of Health Economics* 24 (2005): 365–389, who examined the impact of prenatal conditions and child health at age 7 on various outcomes; and Vonnie C. McLoyd, "Socioeconomic disadvantages and child development," *American Psychologist*, 53 (1998): 185–204.

3. See Robert Greenstein's statement on the U.S. Census Bureau's 2009 poverty and health insurance data: http://www.cbpp.org/cms/index.cfm?fa=view&id=3292.

4. See http://www.census.gov/hhes/www/poverty/about/overview/measure.html, and also see "U.S. Census Bureau, September 2010 Poverty: 2009 Highlights."

5. See U.S. Census Bureau, September 2010 Poverty: 2009 Highlights, *Income, Poverty, and Health Insurance Coverage: 2009*, at http://www.census.gov/prod/2010pubs/p60-238.pdf, and also see http://www.census.gov/hhes/www/poverty/about/overview/index.html.

6. See https://www.census.gov/acs/www/Downloads/survey_methodology/acs_design_methodology_ch04.pdf, http://cps.ipums.org/cps/sample_sizes.shtml, and http://www.census.gov/prod/2006pubs/tp-66.pdf.

7. See U.S. Census Bureau, September 2010 Poverty: 2009 Highlights, *Income, Poverty, and Health Insurance Coverage: 2009*, at http://www.census.gov/prod/2010pubs/p60-238.pdf.

8. Estimates are presented in the U.S. Census Bureau PowerPoint for the Press Release, accessed at http://www.census.gov/newsroom/releases/pdf/09-16-10_slides.pdf.

9. See http://factfinder.census.gov/servlet/DTGeoSearchByListServlet?ds_name=ACS_2007_3YR_G00_&_lang=en&_ts=268570514748.

10. Refer to the U.S. Census Bureau's published tables for detailed margins of error.

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