



Child Poverty in Wisconsin

A Challenge to Our Future

The United States is the richest nation in the history of the world and is currently the world's only superpower. Yet in some very important ways, such as the percentage of children who live in poverty, our children's educational success, or even how long we live, we are not even in the top 25, ranking behind countries like Latvia, Bosnia, and Jordan. It is time for the United States to take the lead again in supporting its children. Many pay lip service to the notion that "our children are our future;" now we must act like we mean it.

Here in Wisconsin, we have historically made investments in children and families that have made this a great place to grow, learn, and raise a family. When it comes to child well-being, we have historically been a top tier state. Wisconsin was ranked the 12th best state in 2013 by the Annie E Casey Foundation's

KIDS COUNT project. Wisconsin is a state that values cooperation and historically has been willing to invest in providing opportunities for success. But there are troubling signs. Childhood poverty is increasing in Wisconsin faster than the national rate. Milwaukee has the fourth-highest level of concentrated poverty of any large city in America, and we have huge racial disparities in child poverty rates.

It's no secret that children born into families living in poverty have to overcome a host of challenges in order to fulfill their potential. And, we know that children who live in poverty are at greater risk of school failure, serious health problems, shortened life expectancy, becoming a teen parent, frequent unemployment, and lower earnings than their peers who do not grow up in poverty. Of course there are examples of individuals who, through perseverance and dedication,

overcome the obstacles that living in poverty creates. Their success should be celebrated and emulated. But we must do more than celebrate those who beat the odds; we need to change the odds. This is not an insurmountable challenge. There are many things we could do to help reduce childhood poverty and help children overcome the obstacles that poverty places in their path. It is not strategies that we lack, but rather the public and political will to make the investments needed to implement them.

“To understand poverty and to fight it, we have to connect the dots. The far-flung problems that burden an impoverished America – housing and health, transportation and debt – may seem unrelated to one another, but they are all part of a whole and they interact in surprising ways. Each element of vulnerability is worsened by the entire whirlwind of hardship.” David Shippler, *Ending Poverty in America: How to Restore the American Dream*, 2007

There are many possible reasons why that is the case. Perhaps it is because too few decision-makers know what it's like to grow up in poverty, or too many of them have misperceptions about “those people.” It is all too easy to think that the poor are somehow different or that their lives do not affect those of us who are not poor. Or perhaps it is because the voices of the poor are rarely heard, as their advocates compete for attention in an increasingly loud and polarized public policy arena. Or it could be that society at large simply does not know or understand the extent of poverty or its impact on all of us. Or it could be that this problem seems intractable and seems to have no solutions.

It is easy to think that making substantive changes in poverty in our communities and in our state is just too hard, that it's too big a challenge to take on. But the truth is we've done it before. Three generations ago, the largest group of people living in poverty was the

elderly. Through a series of investments brought forth due to public and political will, prominently Social Security and Medicare, elder poverty declined over 70% between 1960 and 1995.¹ An estimated 307,000 Wisconsin elderly are lifted out of poverty as the result of accessing Social Security benefits.² Today, children are twice as likely to be poor as older adults.³ Why can't we do the same for children? As there were for seniors, there are solutions to childhood poverty. We just have to be willing to invest in them.

The purpose of this document is to begin to address some of these challenges, to increase public understanding of the scope and dimensions of childhood poverty in Wisconsin, and to reinvigorate the discussions about possible solutions. Finally, we hope that readers will commit themselves to addressing the challenge of childhood poverty in Wisconsin so that every child can have the opportunity to grow up in a healthy, safe, and nurturing family and community.

There are some fundamental values that guide us as we work to reduce poverty and ameliorate some of the underlying problems it creates. These values need to be reflected in the state budget, in policy and practice implementation, and most importantly, in how we involve all children and families in becoming members of strong communities in a vibrant, thriving state.

- *We believe that communities rise and fall as one. Whether at the local level or at the state level, we are all connected economically, and when we allow one part of our community to weaken, it weakens us all. We are, in fact, interdependent.*
- *We believe that parents have the primary responsibility for raising and providing for their children, but we also know that all of us need help from time to time.*
- *We believe that as a society, we should take advantage of all our human capital, not just*

those who are already on board and have the opportunity and support they need to succeed. Both morally and economically, we cannot afford to leave a growing number of children behind in school, behind in earning capacity, and disconnected from our communities in ways that hurt us all.

- We believe that most of the issues WCCF works on (health care, child welfare, juvenile justice, economic stability, and others) have their roots in the problem of poverty and lost opportunity. While we cannot guarantee success for all, we believe we should at least work toward more equal opportunity.*
- We believe that multiple factors work together to determine health, economic, and safety outcomes for children. For example, the County Health Rankings model suggests that both the quality and length of life are impacted by multiple factors such as health behaviors (30%), clinical care (20%), social and economic factors (40%), and physical environment (10%).⁴ Focusing efforts on the more traditional factors (health behaviors and clinical care) only accounts for one-half of*

positive health outcomes. Therefore, we believe that we need to think about the social determinants of health, such as childhood poverty, education, and neighborhoods, as much as we think about health care and health behaviors.

- We believe that the growing disparity in wealth accumulation will result in a growing number of families and children living on the margins of economic security. More and more families are a job loss or hours reduction away from falling behind on meeting their basic needs, let alone achieving their hopes for their children's future.*
- We believe that it is absolutely clear that the early years of a child's life are the most critical for development. Whether we talk about zero-to-three or birth-to-five or zero-to-eight, we know both from the best research and our own experiences that supporting families, providing opportunities for healthy growth, ensuring a child's safety, and ensuring they are ready to learn creates a strong foundation for their future.*

These values and beliefs steer the policies and fiscal investment we advocate for and what we do to engage all segments of the community in talking about poverty and its solutions.



A word about measuring poverty

Researchers and policymakers understand that the most commonly used measure of poverty is often not a very good indication of how families and children are living. Variations across regions in housing and food costs, the value of supporting benefits, and tax policies can complicate comparisons. The original measure of poverty, established at an estimated three times the cost of food and adjusted for family size, was set in the 1950s, and has been adjusted only for inflation since then. For reference, the 2013 federal poverty threshold is \$23,550 for a family of four. Even using the current standard, it is not uncommon to utilize various thresholds, e.g. 133%, 150%, or 200% as checkpoints for access to various family/child supports. More recently, experts have developed a Supplemental Measure of Poverty (SPM) that more completely evaluates the availability of resources to families in relation to what they require to meet basic needs. For example, the SPM poverty rate for Wisconsin is slightly lower than the official poverty rate, and that is true of the Midwest in general.⁵ The [UW-Madison Institute for Research on Poverty](#), using the federal formula, has developed a Wisconsin Poverty Measure (WPN) that takes into account other sources of potential and actual supports that help struggling families survive.

Understanding how the SPM works to measure poverty also provides some ideas about policy and investment strategies that can make a difference in the lives of children and families with low incomes. A good example of how this works in practice for Wisconsin is available through the [Community Advocates Public Policy Institute](#).



Eliminating child poverty is a moral and economic imperative

The implications for our communities of a growing number of children living in poverty are significant. We know that most of these children live in working families. We also know that they will lag behind their peers in lifetime income, are less healthy, trail their peers in emotional and intellectual development, and are less likely to graduate from high school. Children born into poor families are more likely to be low birthweight, have neonatal complications, be exposed to unacceptable levels of lead, experience growth and nutritional deficits (particularly if living in long-term poverty)⁶, and have higher reported rates of child abuse and neglect.

There are also substantial gaps in school readiness, so students from disadvantaged backgrounds start behind, and too often stay behind, their peers. On assessments at grades 8 and 12, about 50% of poor

children nationally fall below the basic level of reading and math proficiency, have significantly higher rates of special education needs, and are more likely to drop out of school.⁷ Research has been consistent in identifying the negative relationship between early childhood poverty and academic achievement, and ultimately economic stability and success.

Some may ask whether we can afford to help raise children out of poverty. But that question is backwards; we cannot afford not to. In his 2007 report, *The Economic Costs of Poverty*, Harry Holzer estimates that childhood poverty costs the U.S. \$500 billion annually. With Wisconsin accounting for roughly 2% of the nation's economy, this translates into a cost of childhood poverty of \$10 billion per year. With the recent economic recession and a widening wealth gap, it is more important than ever that we understand who Wisconsin's poor children are and what we can do to change their future, and by doing so strengthen our communities. Along with the wealth gap is an opportunity gap, as children who grow up poor have fewer supports, resources, and chances to get on a path

to success. Some will find that path, but far more often than not combinations of multiple risk factors limit those opportunities, not only for their future but for the future of the next generation as well.

“The consequences of poverty for child and adolescent well-being are perhaps even more critical than those for health. These are the consequences that may change their life trajectories, lead to unproductive adult lives, and trap them in intergenerational poverty. Children growing up in poverty have poorer educational outcomes with poor academic achievement and lower rates of high school graduation; they have less positive social and emotional development which, in turn, often leads to life “trajectory altering events” such as early unprotected sex with increased teen pregnancy, drug and alcohol abuse, and increased criminal behavior as adolescents and adults; and they are more likely to be poor adults with low productivity and low earnings.”⁸
American Academy of Pediatrics

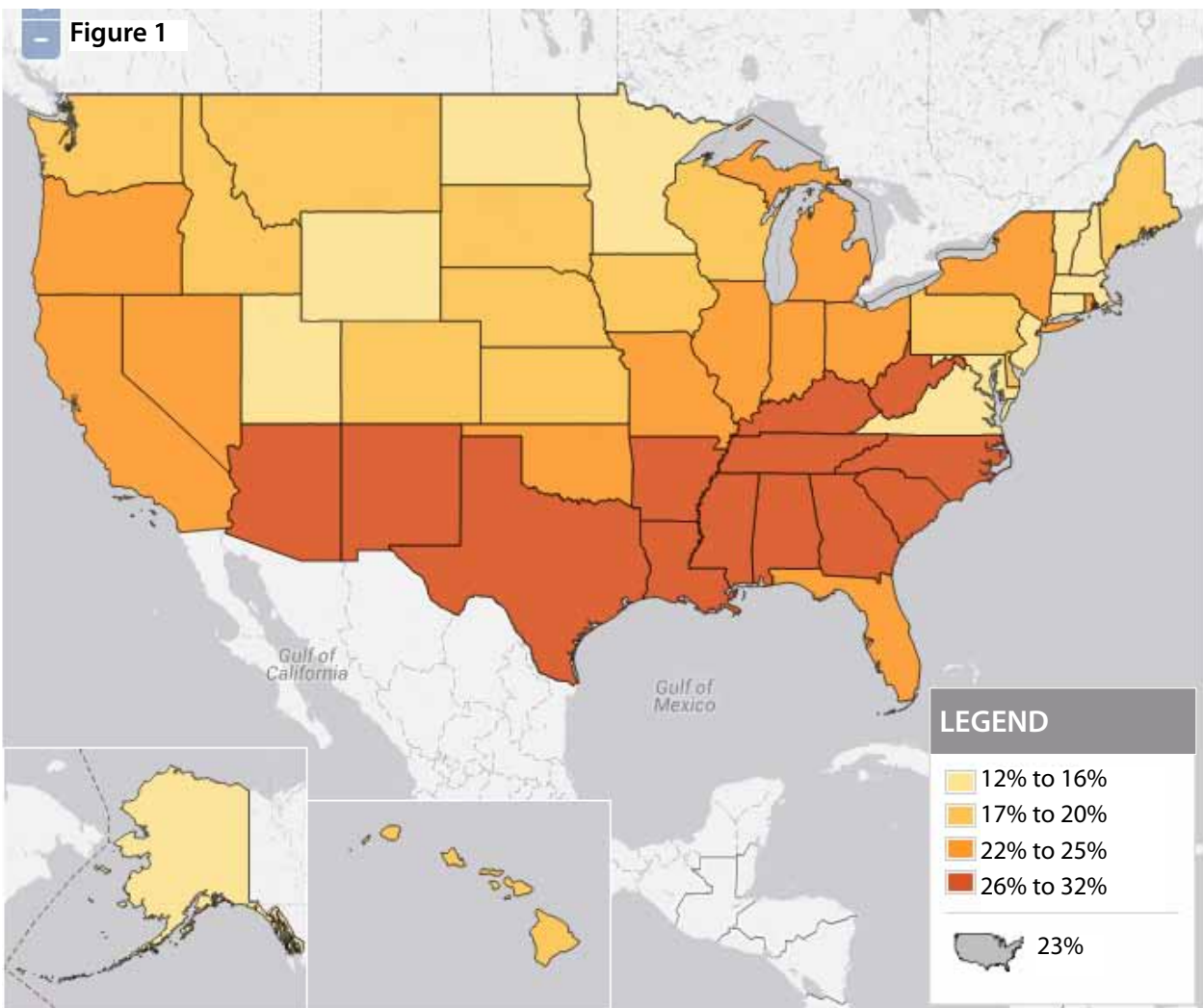


The picture of poverty and poor children in Wisconsin

Many who read this policy report will have a better understanding than most about our children living in poverty. These children attend our schools, and teacher after teacher can provide stories about the children in their classroom who struggle every day. Our clergy, social service professionals, and community volunteers have regular contact with poor children and understand how amazing and resilient they really are – and how providing the right support at the right time can make a big difference in their life trajectory.

On the other hand, many who live in our communities

have only a passing understanding of our poor children. They know they exist, but not in their neighborhood. They drive to work, bypassing neighborhoods in which concentrated poverty further exacerbates the challenges these families face. They may have contact with the working poor, mothers and fathers working two service-industry jobs to try to make ends meet, but only in passing. They are surprised when they hear that nearly one in five Wisconsin kids is living in poverty, and even more surprised by information showing that for black youth that number is one in two. Figure 1 illustrates how Wisconsin fares in comparison to other states.

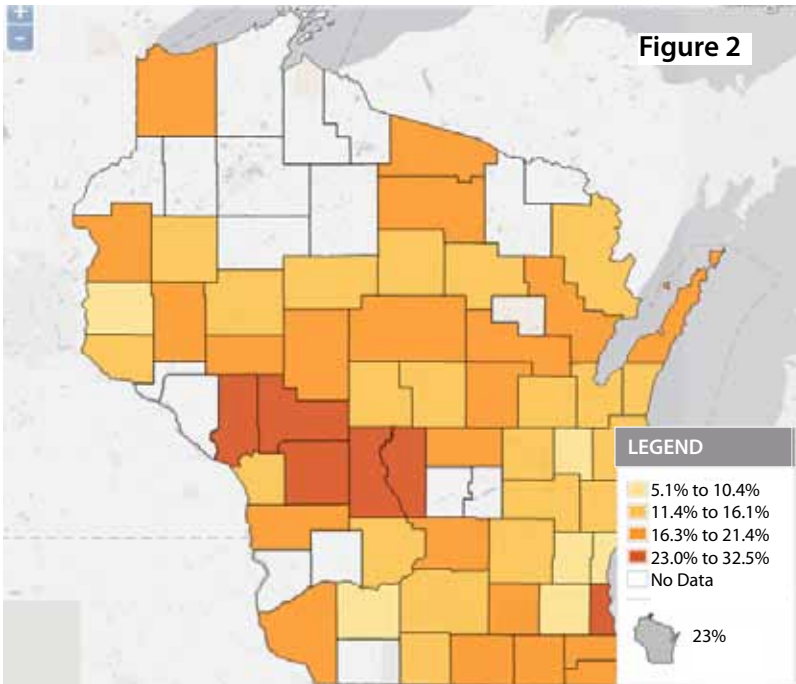


Children in Poverty (Percent) -- 2011

National KIDS COUNT
Kids COUNT Data Center, datacenter.kidscount.org
A project of the Annie E. Casey Foundation

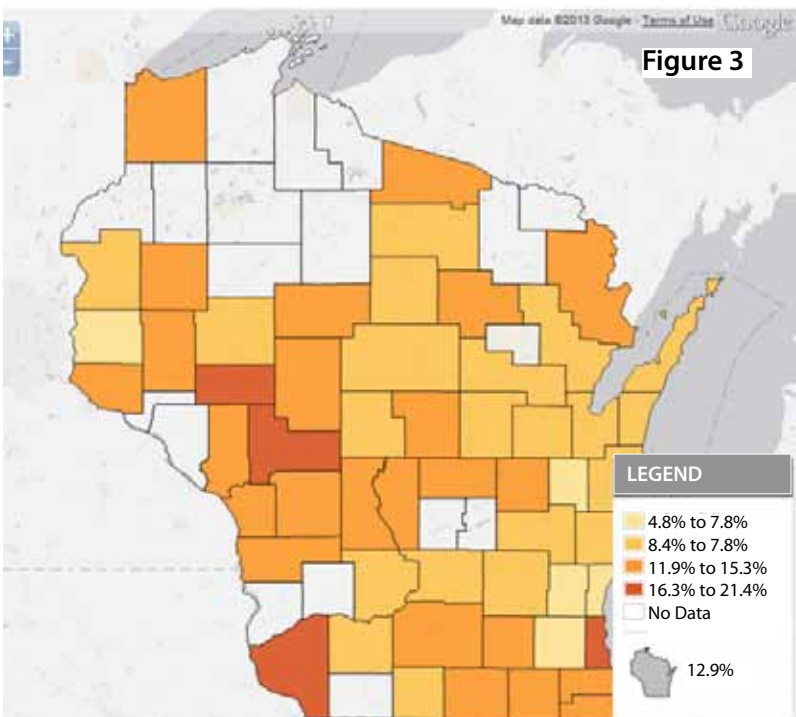
Children living in poverty⁹

In Wisconsin, over a quarter of a million children are growing up in poverty. About one in five children in our state grows up poor, compared to nearly one in four nationally. But while our child poverty rate is better than that of most other states, Wisconsin's rate is increasing faster than the nation as a whole. This is a trend we need to reverse lest we slide into mediocrity.



Children Living Poverty (Percent) -- 2009-11

Wisconsin Council on Children and Families
Kids COUNT Data Center, datacenter.kidscount.org
A project of the Annie E. Casey Foundation

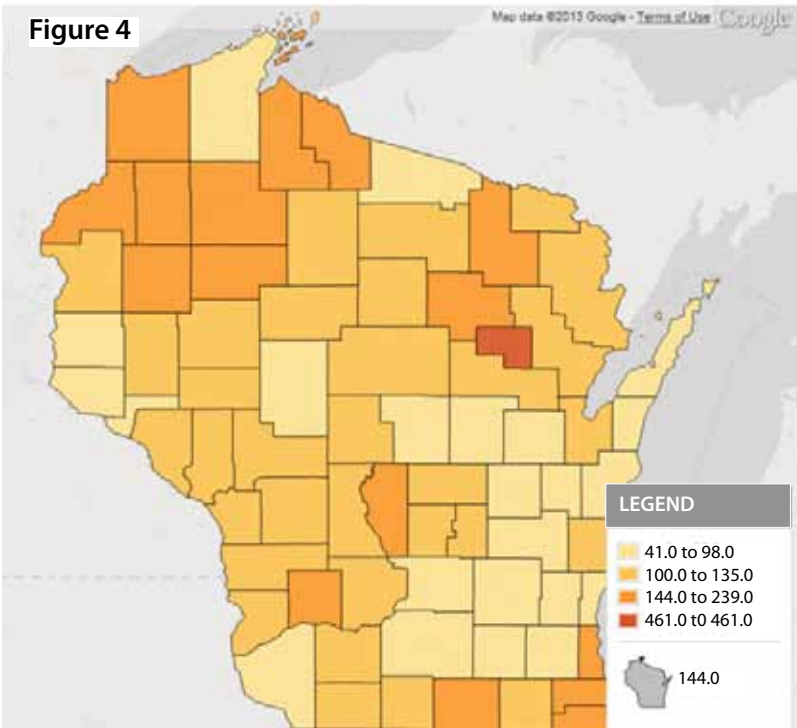


Population in Poverty (Percent) -- 2009-11

Wisconsin Council on Children and Families
Kids COUNT Data Center, datacenter.kidscount.org
A project of the Annie E. Casey Foundation

As shown in Figure 2, the percentage of children in poverty varies considerably across the state. Although Milwaukee County is often thought of as the only county with a substantial percentage of poor children, that is clearly not the case. A number of more rural counties also have high percentages of children living in poverty, though often the wealth gap is not as extreme as it is in Milwaukee County.

Figure 3 shows the percent of the total population in poverty, and can be compared with Figure 2. There are some differences between the maps, but more often than not the pattern of child poverty is consistent with that of overall poverty. The important implication of that similarity is that we really do need to look at whole-family solutions, or what the Annie E. Casey Foundation characterizes as a two-generation strategy. The economic future of children is inextricably tied to the economic success of their parent(s).



SNAP Participation (Rate per 1,000 Residents)-- 2011
 Wisconsin Council on Children and Families
 Kids COUNT Data Center, datacenter.kidscount.org
 A project of the Annie E. Casey Foundation

Another measure of poverty is the need and eligibility for food assistance. As is true with other states, there has been a substantial rise in the number of families participating in the federal Supplemental Nutrition Assistance Program (SNAP), operating in Wisconsin as FoodShare. Figure 4 reflects the number of FoodShare participants per 1,000 residents. Again we can see in Figure 5 that the need is spread across the state, and that, as shown in Figure 6, the growth in the average monthly FoodShare caseload has been steady and significant.

Figure 5

Rate of FoodShare Participation (per 1,000) Residents Top 10 Counties in 2011

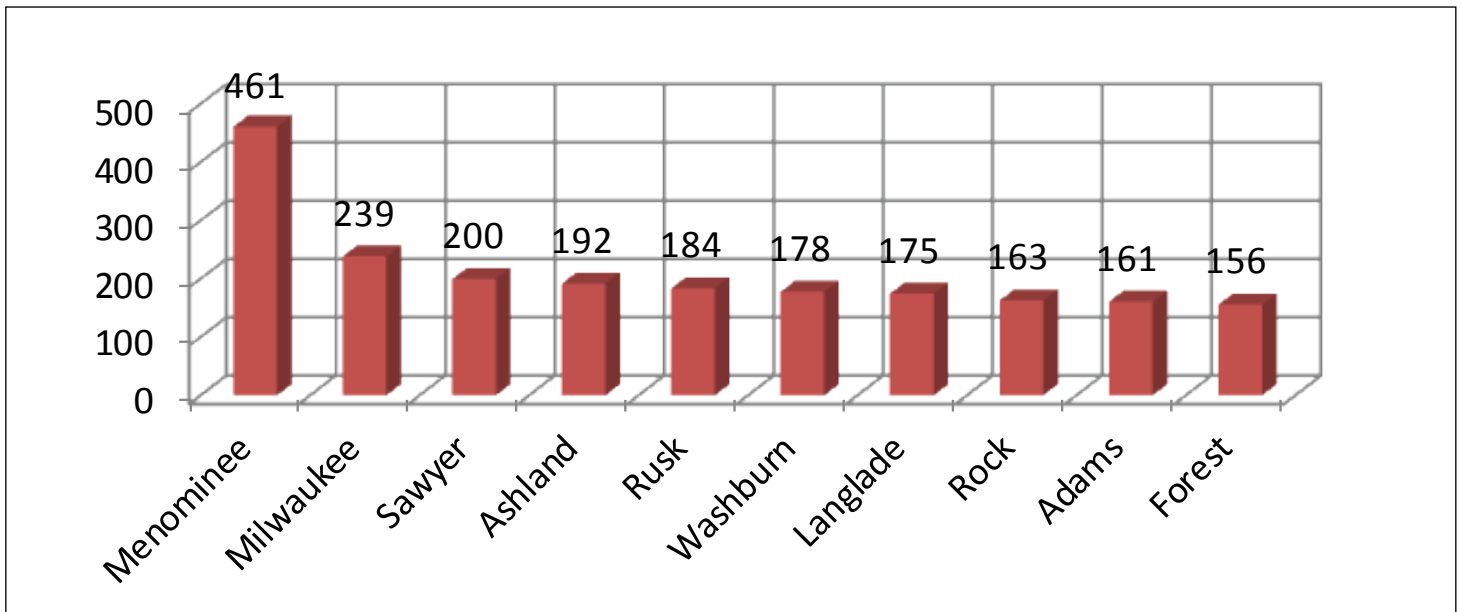
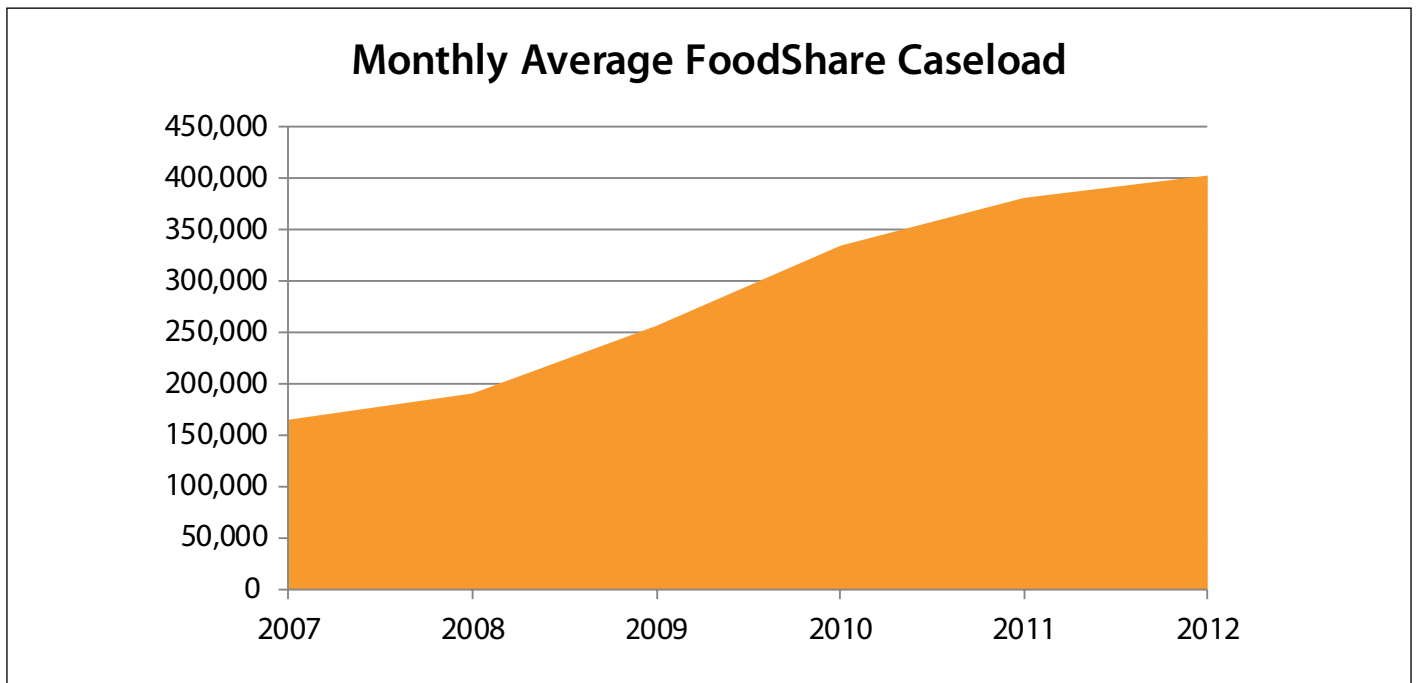


Figure 6



Living in concentrated poverty and the suburbanization of poverty

It is one thing to grow up poor. It is another to grow up poor in a neighborhood of concentrated poverty. These neighborhoods are too often marked by transportation difficulties, substandard housing, lack of employment, higher levels of crime, food deserts in which access to healthy food is limited, higher levels of lead exposure, more limited educational opportunities, and lack of supportive services. Research suggests that the harmful effects of poverty are amplified when the level of poverty in a neighborhood is as low as 20% and continues to grow as that rate increases.¹⁰

In 2012 the Annie E. Casey Foundation released a report on high-poverty communities, providing data that indicates an increase in the number and percent of children living in low-income neighborhoods. Nearly one in three children living in these neighborhoods lives in a family below the poverty line, but **living in these high-poverty neighborhoods also has**

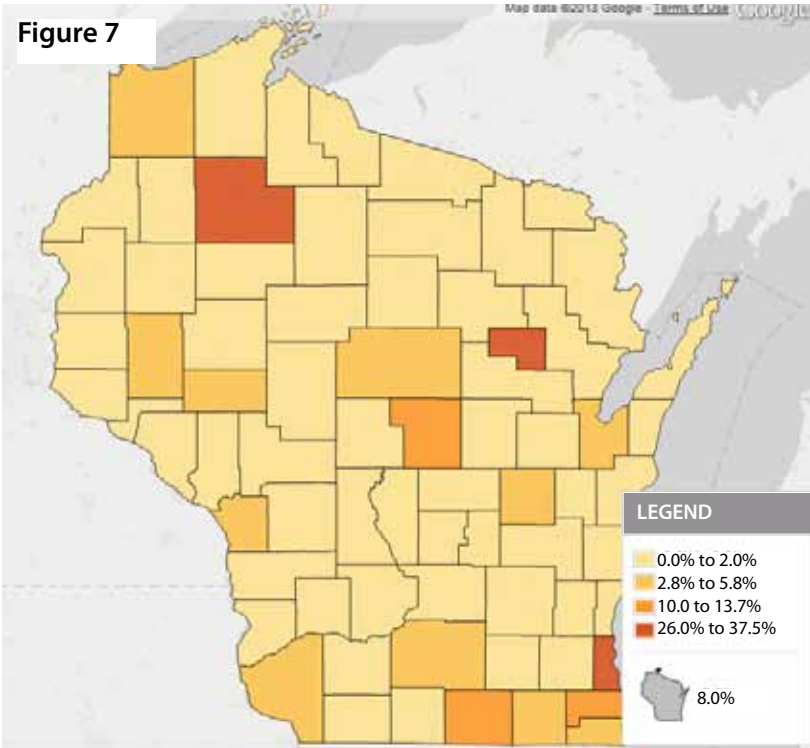
harmful effects on non-poor children.¹¹

Since 2000, the number of Wisconsin poor children growing up in areas of concentrated poverty has grown from about 70,000 to over 107,000, a 53% increase. That's much higher than the nationwide increase of 22%.¹²

Figure 7 illustrates that there are children living in lower-income neighborhoods all across Wisconsin. We also know that Wisconsin is not immune from the dynamic of an increasing suburbanization of poverty.¹³ But nowhere is the issue of children growing up in challenged neighborhoods more of a concern than in Milwaukee. Among the nation's fifty largest cities, Milwaukee has the fourth-highest percentage of children living in areas with poverty rates of 30% or higher (Figure 8). Nearly half of Milwaukee's children are growing up in such a neighborhood.

The issue of concentrated poverty is important because of its impact on *all* children in those neighborhoods.

Figure 7

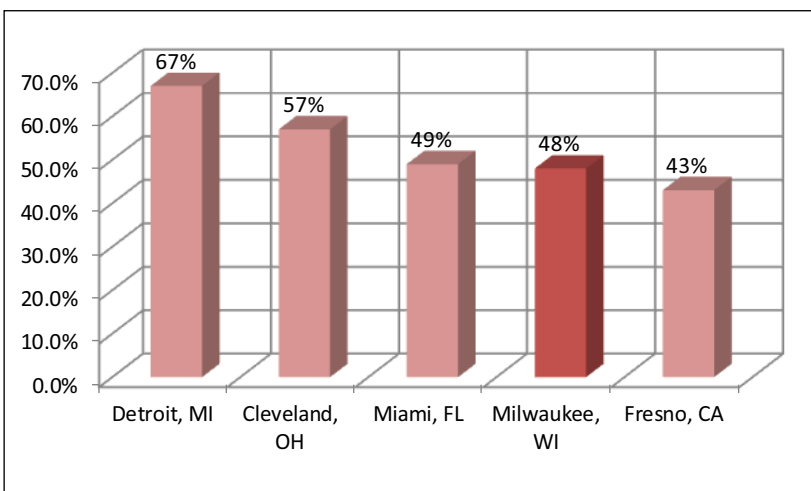


Children Living In Neighborhoods with Poverty Rates of 30% or More (Percent)– 2006-11

Wisconsin Council on Children and Families
Kids COUNT Data Center, datacenter.kidscount.org
A project of the Annie E. Casey Foundation

Figure 8

Percent of Children Living in Concentrated Poverty (2006-2010)



That’s why we need to think beyond individual family-level solutions and address the health of entire neighborhoods. The good news is that there are some common-sense ideas capable of changing the trajectory of children’s lives that are sustainable over generations. The Casey report¹⁴ highlights several examples of promising practices and policies to address concentrated poverty:

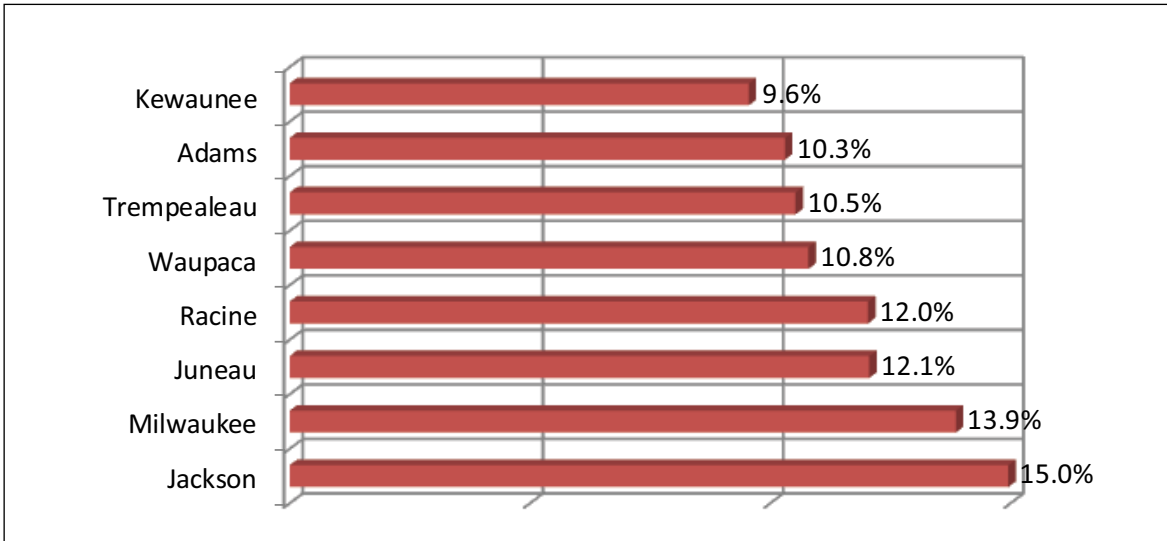
- Promoting community change efforts that integrate physical revitalization along with human capital development
- Increasing investments in quality early learning, community supports for families, and improved infrastructure (e.g. transportation, housing, and community centers) can help families struggling to meet their basic needs and help break the cycle of poverty for the next generation.
- Leveraging “anchor institutions” such as hospitals, schools, and churches to build and support stronger and healthier communities for children.
- Focusing efforts on increasing meaningful and stable employment opportunities for adults and supporting asset building strategies for families.
- Linking neighborhood efforts to larger citywide and regional strategies related to transportation, housing, employment, and education.
- Promoting increased access to affordable housing in safe and economically stable neighborhoods.

Finally, we are very concerned about children living in **extreme poverty**, defined as families with incomes below 50% of the poverty line. For a family of three, that's \$9,765 per year. These families and children, which can be found in all corners of our state (Figure 9), face significant challenges. Several of the counties

with the highest percentages of children living in extreme poverty are rural. But it is also important to note that nearly one-third of the 100,000 Wisconsin children living in extreme poverty (33,000 of them) live in Milwaukee County.

Figure 9

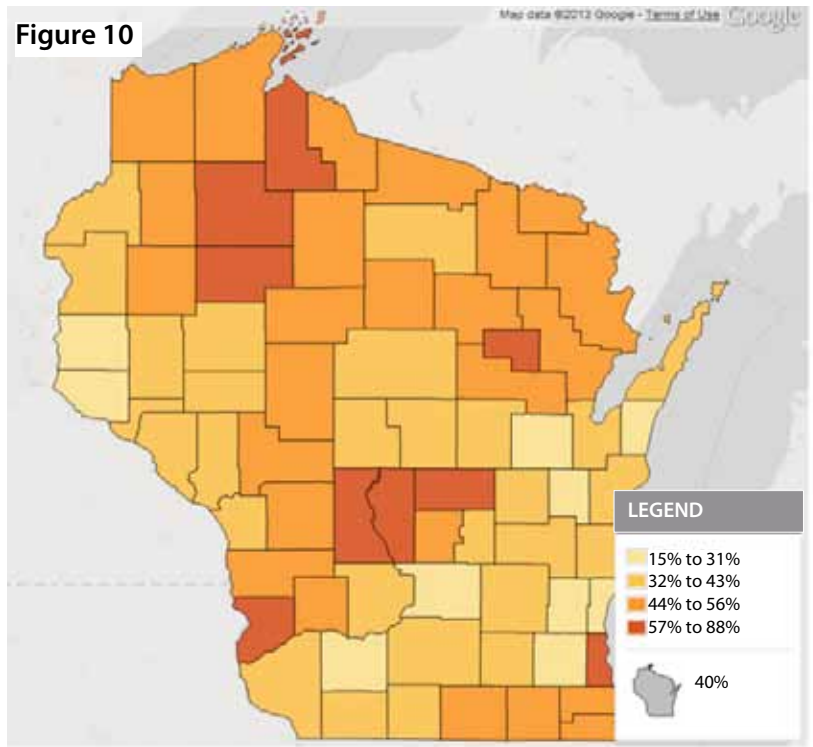
% Children Living Below 50% Poverty Line (Extreme Poverty)



Increased utilization of free and reduced school meals

The rise in children living in poverty through the last decade, and especially following the economic downturn in 2008-09, has also had an impact on the use of the free and reduced school meals by K-12 students around the state. The statewide enrollment rate was 40% in 2012, and Figure 10 illustrates how varying levels of use are experienced across the state.

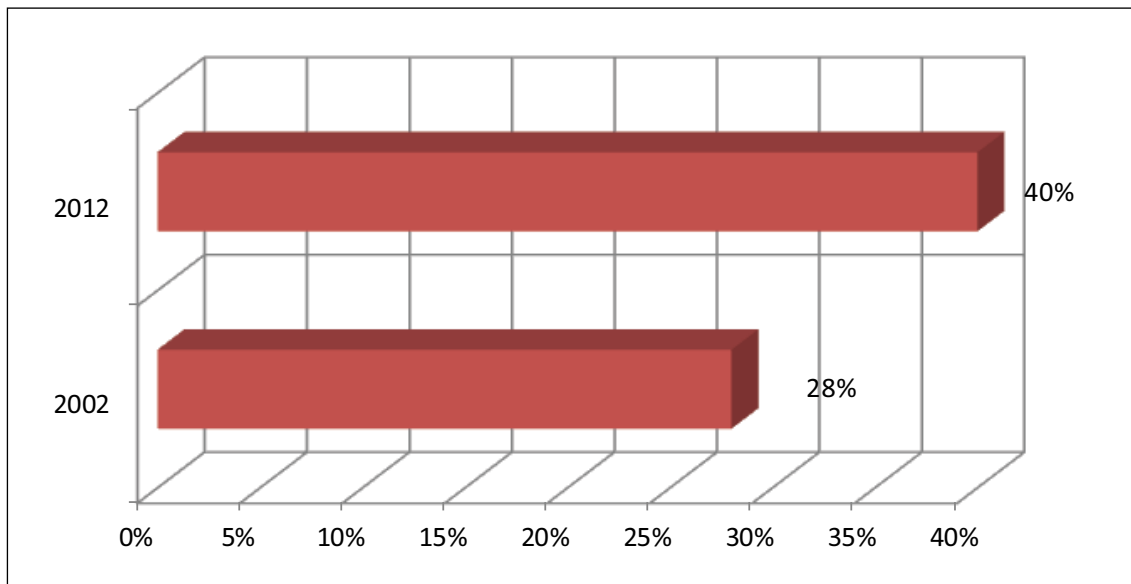
Data from 2012 also reflects the significant increase in the need for this benefit over the past decade (Figure 11). Just over one in four schoolchildren was registered for free and reduced school meals in 2002; by 2012 it had grown to four of ten. This is consistent with the rapid increase in the child poverty rate, but also likely reflects other structural changes in school enrollment, some increase in alternative programs, and the overall increase in the use of SNAP supports by families.



Free & Reduced Lunch (Percent) - 2012
 Wisconsin Council on Children and Families
 Kids COUNT Data Center, datacenter.kidscount.org
 A project of the Annie E. Casey Foundation

Figure 11

Percent of Wisconsin Children Receiving Free/ Reduced School Meals



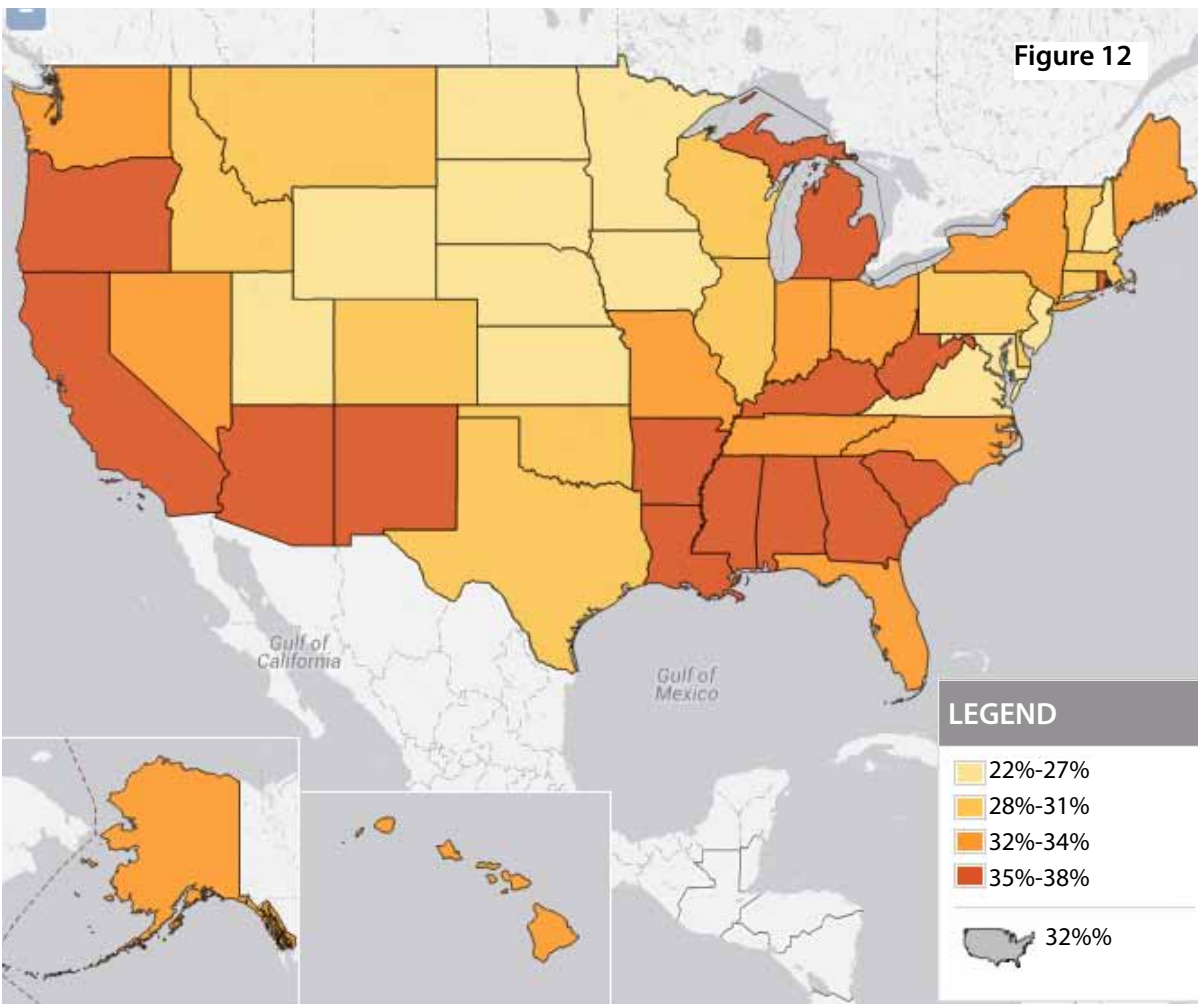
Parental employment matters

The economic future of children is inextricably linked to the income stability and assets of their parent(s). Children who grow up in homes in which no parent is steadily employed are more likely to face challenges such as limited opportunities for quality early learning, housing instability, limited access to pro-social activities, and lack of access to health and dental care. As will be discussed later, focusing on a two-generation strategy that includes helping parents/caretakers find and maintain gainful employment is an important component of changing the future for children in poverty.

Wisconsin's 29% rate of children living in a household in which no parent has full-time, year-round employment is slightly lower than the national average of 32%, but it represents approximately 378,000 children.

Notably, the rate of children living in Milwaukee households with no parent fully employed is tied for the third highest rate in the nation, at 53%, which translates to about 83,000 children.

Wisconsin also has a lower-than-national percentage of children under age 6 living in a household in which there is no parent in the labor force (6%), but that percentage is double for the City of Milwaukee.



Children Living in Families Where no Parent has Full-Time, Year-Round Employment (Percent) - 2011

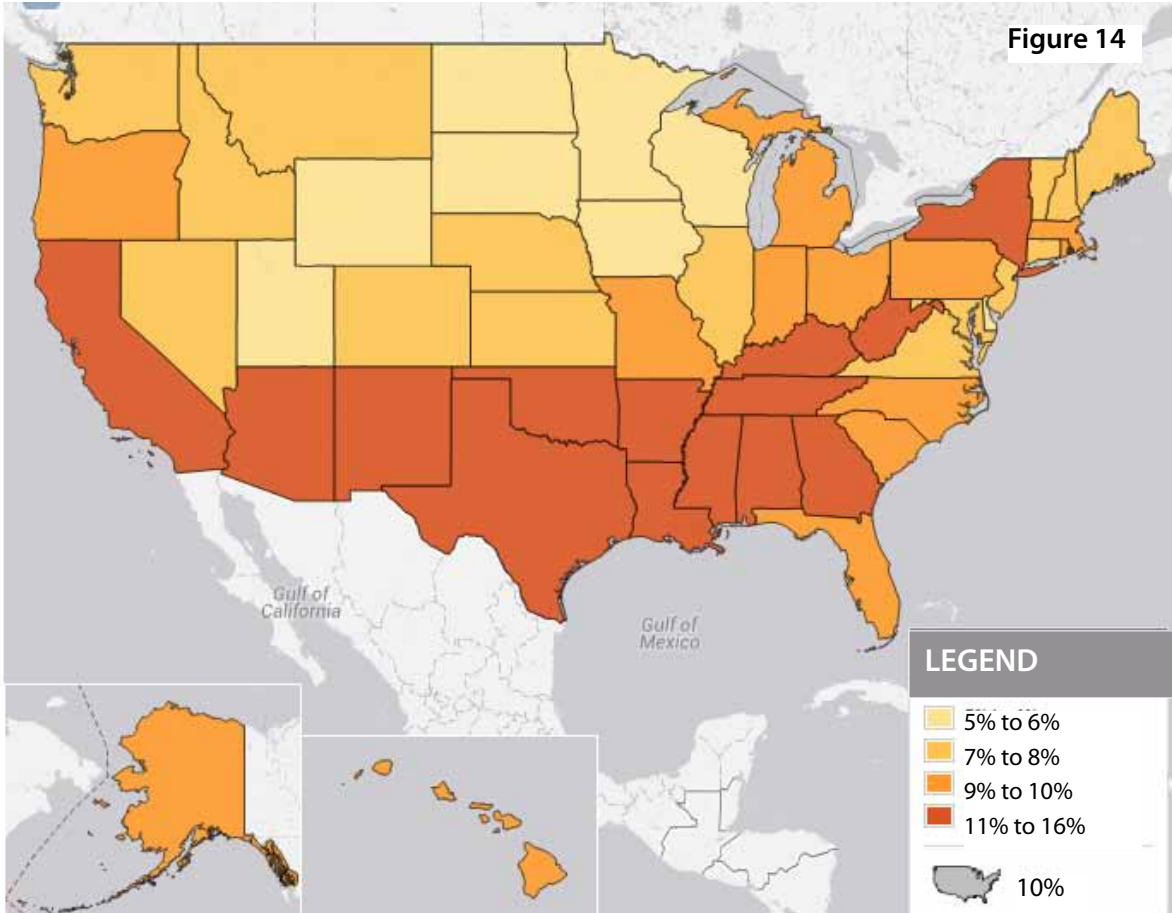
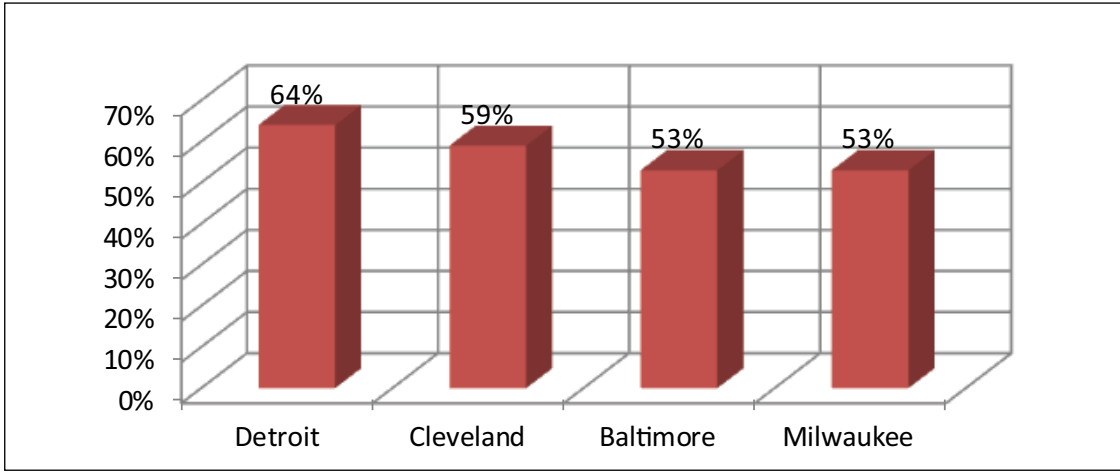
National KIDS COUNT

Kids COUNT Data Center, datacenter.kidscount.org

A project of the Annie E. Casey Foundation

Figure 13

Percent of Children Living in Household with No Parent Fully Employed



Children Under Age 6 with No Parent in the Labor Force (Percent) - 2011

National KIDS COUNT

Kids COUNT Data Center, datacenter.kidscount.org

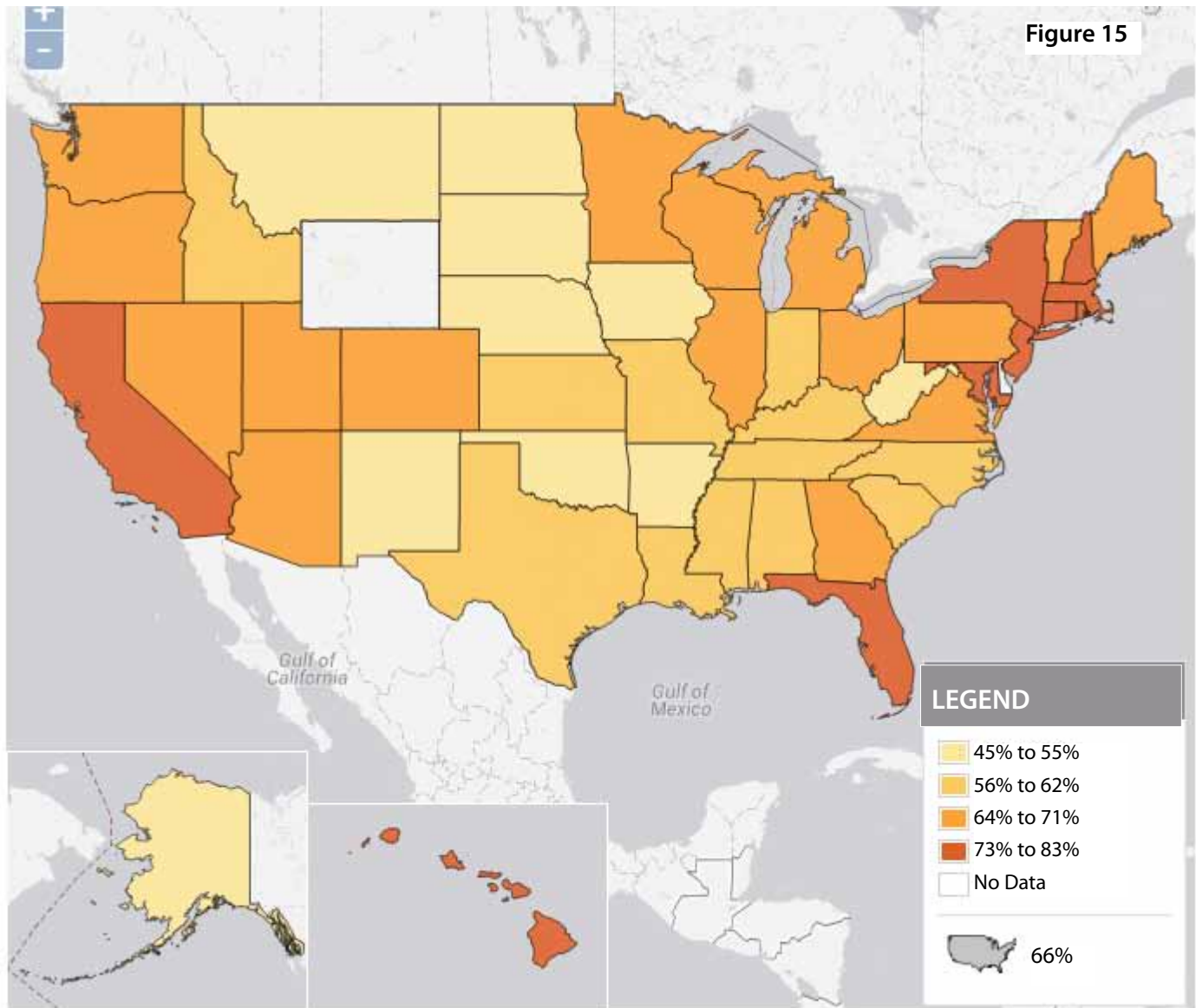
A project of the Annie E. Casey Foundation

Housing

A significant challenge for low-income families is that the cost of housing alone takes up a substantial percentage of disposable income. In 2011 in Wisconsin, over 340,000 children were living in low-income households that spent over 30% of their income on housing. Spending a higher percentage of income on housing increases the likelihood that (1) children

will have poorer health outcomes; (2) the family will encounter greater difficulties in purchasing food; (3) the adult(s) will not own a car; and (4) the family faces a greater challenge in accumulating assets through home ownership.¹⁵

Moving frequently also creates challenges for children, often disrupting their education and links to other consistent pro-social opportunities. Based on 2010



Children in Low-Income Households Where Housing Costs Exceed 30 percent of Income(Percent) - 2009

National KIDS COUNT

Kids COUNT Data Center, datacenter.kidscount.org

A project of the Annie E. Casey Foundation

figures, only about one-third of children in low-income families had not moved within the last year. It is likely that for most readers of this report, this frequency of moving from one residence to another is far from their own experience.

Race/ethnicity of children in poverty

In Wisconsin, one of every two African-American children lives in poverty, 40% higher than the nation as a whole and four times higher than the rate for non-hispanic white children (Figure 17). A high level of racial disparity can be found across the state, but each community has a slightly different dynamic. For example, in

Milwaukee County, the poverty levels for African-American children (51%) and white children (16%) are both higher than the state average. Meanwhile, in Dane County in 2011 the African-American child poverty rate was nearly 75% which is 13 times higher than the county's white child poverty rate of 5.5%. This means that the disparity between African-American children and white children is much higher in Dane County than other places in the state.

As one might expect, these differences in poverty impact the percentage of children living in households that

Figure 16

Residential Move By Income Status of Children
2010 National Center for Children in Poverty

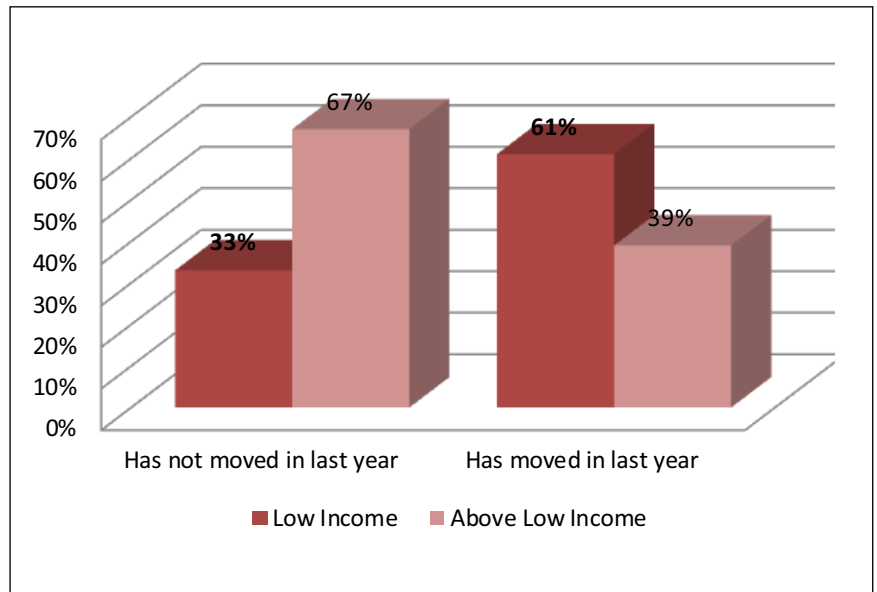
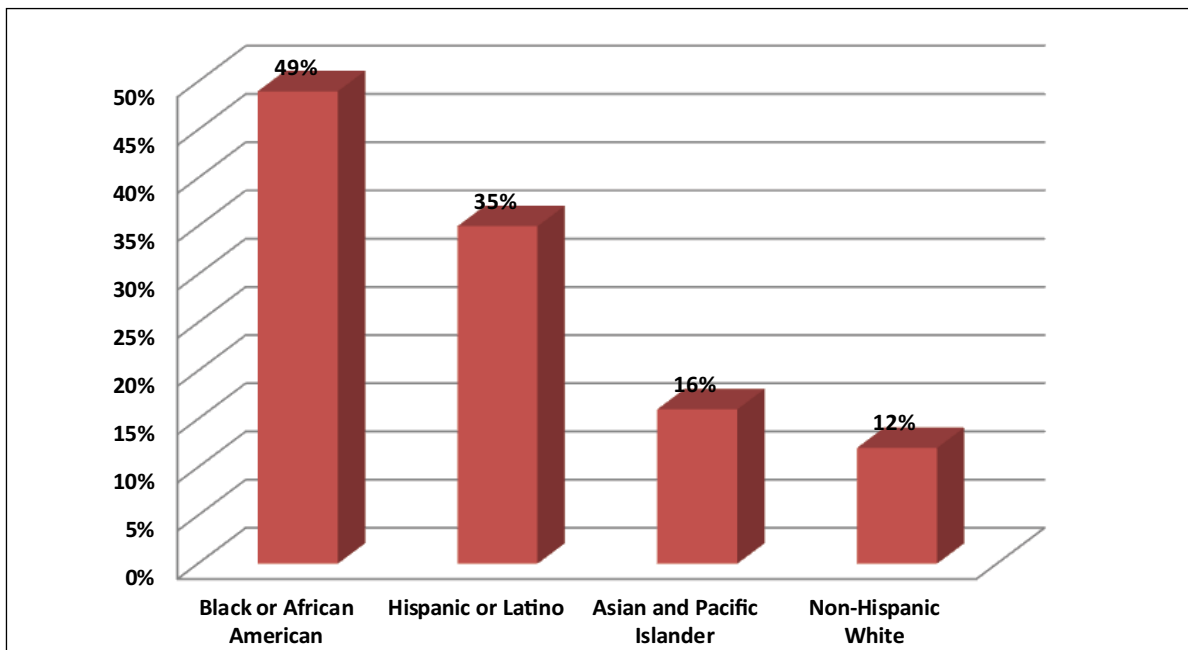


Figure 17

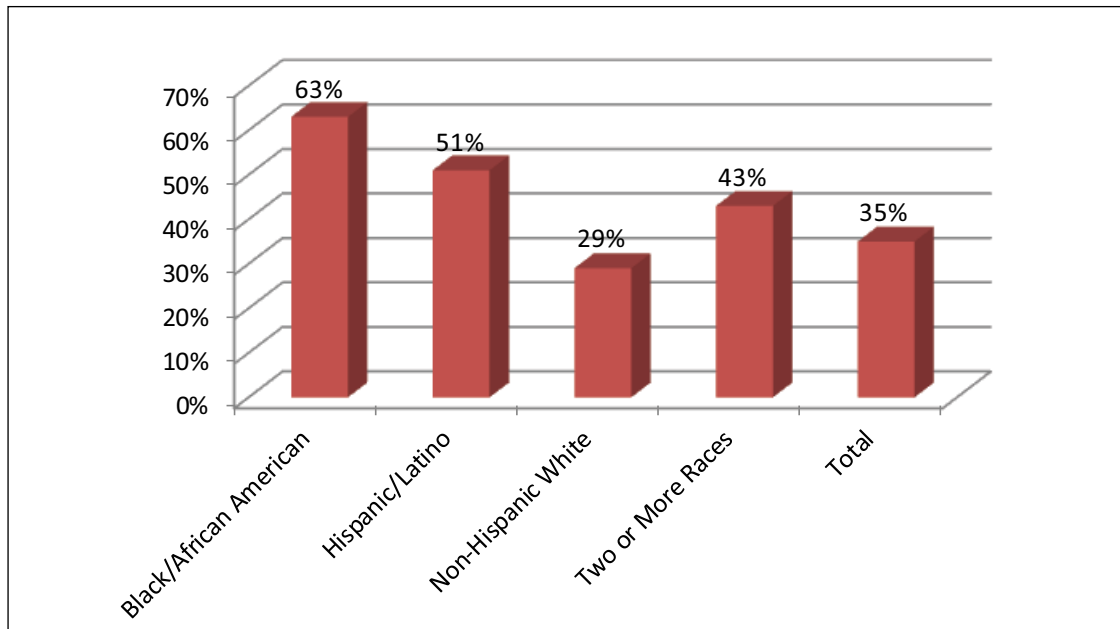
Percent of Children Living in Poverty
by Race 2011



spend greater than 30% of their income on housing, with nearly two-thirds of African-American children in that situation, compared to less than 30% of non-Hispanic white children. This is but one example of the “opportunity gap” that exists between white and black children in Wisconsin.

Figure 18

Children in Households Spending >30% of Income on Housing by Race 2011



Widening income and wealth gaps threaten our future

Income inequality continues to increase in Wisconsin as well as around the nation. In *Pulling Apart: Wisconsin's Growing Income Inequality*⁶, the Wisconsin Budget Project and the Center on Wisconsin Strategy (COWS) note that trends in income favor those who already have been earning more. For example, between 1996 and 2010 the adjusted gross income of the top 1% of earners grew by 43%; the next highest 4% of earners grew by 25%; and the bottom 40% of earners **fell** by 5%. In addition, in 2010, over half of all income flowed to the top 20%, and between 2002 and 2010 the ratio of total income of the top fifth of earners grew from 4.2 times that of the middle fifth to 4.9 times.

Income is one measure of the economic future of our families, but another important factor is the

accumulation of wealth (the sum of assets such as houses, cars, savings and checking accounts, investments, etc.). This gap is in many ways generational, as families who are already middle class may have accumulated some wealth, particularly through the growing value of home ownership. This can be passed on to the next generation, so that generation starts out their working or early family years with some help, and that dynamic keeps repeating. However, we know that this dynamic has changed for the middle class as well for those working poor who may have once had an opportunity to accumulate some wealth. As the working poor pay an increasing percentage of their income for housing, have a harder time getting loans, and often pay higher interest rates, all the while living from paycheck to paycheck, the hope of accumulating anything to pass on to their children becomes ever more difficult. It was never easy to “climb the ladder” to the next level

of wealth, but it seems to be an increasingly distant dream for many families.

Finally, the gap in wealth between white and black Americans has also increased over the past 25 years. It is interesting that in the early- to mid-1990s the ratio of white-to-black median wealth was actually decreasing, reaching a low of seven to one. But by 2009 median wealth among white Americans had surged to 19 times that of their African-American neighbors, \$113,149 compared to \$5,677.^{17 18}

The income and asset accumulation gaps add another dimension to the growing opportunity gap for poor children. Not only do they have fewer current opportunities to fulfill their immediate potential, but their future opportunity is also hindered by this widening economic divide. It will be difficult to change these trends for current adults, but it is essential that we implement ways to change this path for future generations.



INITIAL RECOMMENDATIONS

As a society and as a state, we need to adjust our mindset about poverty. Instead of viewing poverty mainly as a failure at the individual level, social mobility should be seen as a mixture of personal responsibility, economic trends, and public policies. This then positions poverty as it should be, an issue of broader concern for communities and the state as a whole. Fighting poverty not only helps the poor; it helps everyone. **We all do better when we all do better.**

We began this brief with the notion that we know a lot about what can work to both reduce poverty and the harmful effects it can have on the trajectory of a child's life. We also know that families in communities can make a big difference, and that despite often difficult circumstances, the resiliency of children is evident in the lives of those who have overcome the barriers that poverty creates. It is that resilience, that strength in children, that gives us hope that we can decrease childhood poverty in Wisconsin and provide children an opportunity for a brighter future. We can accomplish this by better understanding the scope of poverty in our state; agreeing that we have an obligation to act to reduce poverty; agreeing that it is in our collective interest to do so; and being smart about our public investments and strategies.

Recognizing the complexity of the challenge, we offer some initial recommendations for approaching the WCCF goal of ensuring that all children grow up in safe and nurturing families and communities. It is important to emphasize that our work must be multi-faceted, comprehensive, and sustained. We must work at multiple levels, including practice, program, and policy, in order to have the impacts we need. Our initial recommendations include some more general themes as well as some specific areas for action.

Themes

Begin with a two-generation strategy in mind.¹⁹

The evidence is clear that as we invest in children, we need to simultaneously work to support parents and caretakers in their efforts to provide a safe and economically stable environment. Some of the following strategies and recommendations may apply to one generation more than other, but we must not let competition between them (whether ideological or financial) force us into an either-or strategy.

Communities and neighborhoods matter.

As discussed previously in the section about concentrated poverty, the economic and social health of the neighborhoods in which children grow up plays an important role in their development. We need to engage the full community in building the relationships between families, the faith community, service providers, schools, and other social institutions that help make communities safe and supportive. Social investments such as creating family support centers/programs, partnering with the faith community, and meaningful outreach by policymakers will help build stronger communities.

“Community investments that focus on the social and economic well-being of neighborhoods can provide a foundation for children’s futures.” Annie

E. Casey Foundation 2012 KIDS COUNT Report

Use evidence-based strategies.

As we focus efforts on children and families, we must identify and implement economic policies that have been demonstrated to help reduce poverty. A good example of this is the work done by Community Advocates Public Policy Institute and their *Pathways to Ending Poverty* research and publications.²⁰ There are also lessons to learn from Britain's accomplishments in cutting childhood poverty in half after declaring their

war on child poverty in 1999.²¹ Their effort included increased minimum wage for working families, increased tax credits for children, investments in early learning, and investments in job training. Most importantly, their experience shows that sustaining the public commitment to these strategies over time is critical to success.

Narrow critical gaps.

We have highlighted several growing gaps that need to be addressed, including the economic gaps in income and asset accumulation and racial and ethnic gaps.

To address the economic gaps, there are strategies such as those highlighted in *Pulling Apart 2012: Wisconsin's Growing Income Inequality*.²² These strategies and others—including reforming regressive taxes, ensuring that work pays, supporting access to health care (including mental health and dental care), and investing in education from child care through college—can all help narrow economic gaps.

Addressing racial and ethnic gaps is challenging and complex and often raises uncomfortable discussions about blame and who is responsible for solving the problem. But as a starting point, we can begin with increasing awareness in our communities and accepting the stark reality of the racial and ethnic disparities that exist. Through strengthening our education system, promoting smarter community investment strategies, and improving linkages with employment opportunities, we can do a better job of reducing disparities for minority children and families across Wisconsin. And, we can work to engage constituencies in our community to help ensure that we do not shortchange another generation of minority youth. More information about WCCF's work to address racial disparities can be found at www.racetoequity.net.

Communication and collaboration are key.

We must communicate about the issue and impact of childhood poverty with effective, consistent, and coherent messaging, with particular attention paid to the use of language that does not trigger partisan or non-productive responses. It is important to use the full spectrum of communications tools, including evidence as well as stories, so we can meet people where they are in order to bring them along. Child well-being is a public good that benefits us all.

And because reducing childhood poverty benefits us all, we all have a stake and a responsibility to act. Different organizations and coalitions have different things to offer, but almost everyone has something of value that they can do. What we need to do is to make it easier for everyone to contribute what they can and to make clear asks for action.





Areas for Action

Over the years, there have been numerous symposia, summits, task forces, and projects designed to address poverty. What follows is a brief summary of the main recommendations from these various efforts. The purpose of this summary is not to present an exhaustive or prioritized list of projects or proposals, but rather to acknowledge that good work has been done in the past and that whatever we do moving forward should build on that work. The categories include:

1. Early learning and education
2. Employment
3. Healthcare
4. Housing
5. Income supports
6. Place based initiatives

- 1. Early learning and education.** The research could not be clearer that quality early learning is critical for children who grow up in poverty, as they historically begin their school years behind, and all too often never catch up. Investing in parents as “first teachers,” Early Head Start, Head Start, and home visitation programs makes both human and economic sense. In Wisconsin we need to ensure adequate investments are made in Wisconsin Shares and the YoungStar quality rating and improvement system. This means: (1) ensuring that the Wisconsin Shares budget and payment structure reflects the real costs of providing quality early learning programs, including raising the reimbursement rates and investing more funds into training and technical assistance for providers; and (2) continuing support for the YoungStar system and more closely integrating that system with greater investments that help providers (both family care and child care centers) improve their skills and “move up the ladder” of the

rating system. Finally, Wisconsin must continue providing pre-school opportunities for children through a combination of public and community-based 4K programs that now are in place in nearly 90% of school districts around the state.

2. Employment. Family-supporting jobs provide children with the financial resources they need to thrive. Improved education and skills have historically been the route to a higher standard of living for Wisconsin workers. We need to promote opportunities for low-skill, low-wage workers to obtain skill training and education that meet the specific needs of employers. The technical college system is a key resource, providing training accessible to workers and relevant to employers. Career pathways and industry partnerships are two other ways Wisconsin can continue to modernize its workforce skill development, by improving the connections between job seekers and employers. Another important employment component is to ensure that all taxpayer investments in job creation are accounted for and that the jobs that are created pay family-supporting wages. Finally, additional financial aid is needed to facilitate the participation of low-income people in training and higher education.

3. Health. According to the Neighborhood Funders Group, research consistently shows that the gap between the rich and poor is the most significant predictor of the health of a country's population. Quality healthcare promotes healthy child development, and children and families with access to quality health care experience increased success in school and fewer absences from work. We must ensure that every child in Wisconsin has access to affordable healthcare, including dental and mental health care. We would make significant progress in this area if we were to take advantage of the tools

provided by the federal government to expand the Badger Care program and implemented a robust health insurance exchange.

4. Housing. Access to affordable, stable, and safe housing is critical to economic self-sufficiency for children and their families. It ensures consistency in a child's education, and promotes stable employment for parents; children thrive when they live in homes that are located in safe and thriving communities. We should maximize public and private resources to expand affordable housing through increased support, coordination, and flexibility; support healthy housing through weatherization, lead abatement, and code compliance; and aggressively address homelessness by targeting resources at prevention.

5. Income Supports: A good, multi-faceted example of strengthened income supports is the work done by Community Advocates Public Policy Institute and their *Pathways to Ending Poverty* research and publications. This research highlights four basic components to a poverty-reduction strategy: (1) Providing a tax credit for seniors and adults with disabilities; (2) investing in Transitional Job programs for unemployed workers; (3) increasing the minimum wage; and (4) reforming the Earned Income Tax Credit for low earners. Their research was independently analyzed by the Urban Institute²³, which showed that had these policies been fully implemented in 2008 in Wisconsin, it would have resulted in bringing a quarter of a million Wisconsinites out of poverty, a reduction of 58% from current levels. Other important forms of income support that can help boost low-income families are unemployment insurance and the Homestead Tax Credit. It is also important to promote financial literacy, through financial education for youth and resources (e.g.

tax preparation), training, and support for adults. Finally, improved child support collection can help reduce childhood poverty.

6. Place-based initiatives: There are numerous initiatives being implemented around the country focused on improving entire neighborhoods. These initiatives vary in their size, scope, and funding,

and they tend to combine initiatives from a number of areas detailed above, including improving school quality and access to high quality childcare, improving the built environment with more fresh food stores and better transportation, providing more job training, and increasing funding to address crime.



What's next?

While these initial policy recommendations are important, what is even more important is taking collective action to form the public and political will needed to address the challenge of childhood poverty. We must act with urgency because childhood happens just once and children have no time to wait. But we also know that childhood poverty is a long-term problem and that lasting solutions can only be implemented over time.

So what gets in the way of us taking action? The answer to that question is different for each of us, but here are some of the common reasons given for lack of action:

1. The problem is too big to solve.
2. We lack knowledge about what works.
3. This is someone else's job or, I can't make a difference.
4. We lack sustained public and political will.
5. Our culture and beliefs value individualism and personal responsibility.

Our response to these reasons are: 1) Yes this is a big problem, but if each of us takes it on, we can begin to make progress. 2) We know some things work and that we have to implement solutions at sufficient scale. 3) See #1- this is all of our jobs and decreasing poverty benefits everyone. 4) True – we do lack sustained public and political will, and it is up to all of us to generate the will we need to tackle this problem. 5) That is true, but this isn't an either/or problem; this is both/and. Individuals play a primary role but we need investments in systems that promote opportunity.

The time for excuses is long past. The level of childhood poverty is getting higher, not lower. An urgent, comprehensive, long-term, statewide focus

on reducing childhood poverty is necessary. For all these reasons and more, WCCF believes that applying the Collective Impact model for social change will be a helpful way to frame and organize our next steps for child poverty reduction in Wisconsin. According to Kania and Kramer, the authors of the 2011 article on Collective Impact,²⁴ there are five key conditions of shared success. These include:

1. Common agenda: a shared vision for change including a common understanding of the problem and a joint approach to solving it through agreed upon actions;
2. Shared measurement: collecting data and measuring results consistently across all participants to ensure efforts remain aligned and participants hold each other accountable;
3. Mutually reinforcing activities: activities must be coordinated through a mutually reinforcing plan of action;
4. Continuous communication: consistent and open communication to build trust, assure mutual objectives and appreciate common motivation; and
5. Backbone support: staff with skills and resources to coordinate participating organizations and agencies.

In addition to these five conditions, there are a number of pre-conditions cited in the model. One of the greatest concerns is whether there is a sense of urgency about this issue. We hope that if you have made it this far in the document, you are as concerned about this issue as we are, and share our sense of urgency, and want to engage with WCCF and others to address this problem.

What can you do?

We believe that while parents and families have primary responsibility for taking care of their children, there are also important roles for government, our major social institutions, and communities at large in addressing many of the issues of poverty.

So as members of families, communities, and the voting public, we ask you to take a step forward in your efforts to reduce child poverty in Wisconsin:

- You can work with groups you are already involved with to engage them in providing time, resources, and moral and political support for investing in our needy neighborhoods. We must work together to identify both short- and long-term solutions that engage the whole community. We can do much as individuals, but working with others can help build meaningful and sustainable relationships that will allow us to work through new challenges as they arise and create new opportunities that can change the life trajectory of our most vulnerable families and children.
- You can help create and disseminate messages that speak to those not already engaged in this struggle, to those who simply do not see or understand the depth of the challenge or that solutions exist. And, you can confront outdated and sometimes disrespectful language that talks about the poor as if they are somehow “other” than us or, even worse, “less” than us.
- Finally, you can be an advocate and give voice to those whose voices are seldom heard in the corridors of power in our communities and in our state. The poor, the majority whom are working poor, deserve to have their lives considered when public policy decisions are made, and advocating on their behalf can result in positive public policy investments and approaches.

Although we often think of big changes coming out of our work, in the end it may simply be about believing that you can make a difference in the life of a child, and then another, and then another. What will you do?



Resources

KIDS COUNT Data Center: <http://datacenter.kidscount.org/>

Vision 2020: <http://www.2020wi.org/>

Child Trends: <http://www.childtrends.org/>

Center on Wisconsin Strategy: <http://www.cows.org/>

University of Wisconsin Institute for Research on Poverty: <http://www.irp.wisc.edu/index.htm>

Community Advocates: <http://communityadvocates.net/>

National Center for Children in Poverty: <http://www.nccp.org/>

Urban Institute: <http://www.urban.org/poverty/>

The Henry K. Kaiser Family Foundation: <http://kff.org/>

Half in Ten: <http://halfinten.org/>

Shriver Center National Center on Poverty Law: <http://povertylaw.org/>

American Pediatric Association Task Force on Poverty: <http://www.apa.org/pi/families/poverty.aspx>

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