Poverty's down, but not enough

By <u>Steve Thorngate</u> September 18, 2014

Some modest good news this week from the Census Bureau [pdf]: for the first time since the Great Recession began, the poverty rate is down a little and the child poverty rate is down a little more. The latter was driven by a bit of job growth and—among families with children—higher income.

But at this pace <u>it'll take years</u> for the poverty rate to get back down just to where it was in 2000. And <u>as Kevin Drum points out</u>, the oft-repeated claim that poverty has been mostly stagnant for 40+ years glosses over a gloomier reality: poverty among seniors has gone way down over the years, but poverty among working-age people has gone the other way. Meaning that while the overall poverty rate may be pretty steady, the market economy is increasingly failing the working class.

The social safety net helps, of course. But it's too small, and wages are too low—and political realities prevent either situation from changing. <u>Monica Potts sums it up</u> <u>well</u>:

While [politicians believe] Americans should make most of their money from working, they don't want to ensure that people make a livable wage when they do so.

One way or another, at least one of these two things has to change. That or we're stuck with high poverty rates for the long term. (Elected officials have made their preference pretty clear.)

Meanwhile, <u>the economic recovery is happening mostly just among the very rich</u>. The Census Bureau <u>also released community-level data this week</u>, among other things finding that <u>inequality is worse in Manhattan than anywhere else</u>. This isn't surprising; Manhattan is, after all, where the American 1 percent tends to congregate. And if you've ever been *short* on cash, you know how valuable it is/would be to live somewhere with extensive social services and a world-class transit system. <u>The *Times* coverage here</u> is odd, as this seems to be more symptom than cause: the gap is growing between rich and poor, and yes, lots of both still live in New York.

The root problem, however, is national and very real: inequality is getting worse, and poverty isn't getting much better. <u>I remain hopeful</u> that Paul Ryan and others from the right are serious about improving the conversation. But in a time of divided government and <u>broken politics</u>, will this amount to more than just talk?