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FOUNDATION *for*
CHILD DEVELOPMENT

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**NEW REPORT ON CHILD WELL-BEING PROJECTS
RECESSION-RELATED DECLINES IN
SOCIAL RELATIONSHIPS, HEALTH**
**Foundation for Child Development's Annual Index finds downturn will wipe
out family economic gains made over last 35 years**

WASHINGTON, DC – The first comprehensive report on the impact of the current recession on the overall health, well-being and quality of life of America's children, released by the Foundation for Child Development (FCD), shows that the downturn will virtually undo all progress made in children's economic well-being since 1975.

The Special Focus Report, "Likely Impacts of the Current Economic Recession on Child Well-Being," looks at seven *Quality-of-Life/Well-Being Domains*: economic well-being, health, safety, educational attainment, community connectedness, social relationships and emotional/spiritual well-being. The projections for the 2008-2010 recession are based on an analysis of data from the Child Well-Being Index (CWI) databank (1975-2007) and data from past recessions.

"Though our research proves what many of us know and see – that children suffer during a recession – the harm of this downturn is even greater than that of economic hardship. It will affect children socially and emotionally; it will affect their health and educational attainment," said Kenneth Land, project coordinator of the Child Well-Being Index and a sociology professor and director of Duke University's Center for Population Health and Aging. "The fact that we may actually reverse hard-won gains made over the last 35 years is alarming."

Key findings from the report include:

- **Decline in Social Connectedness:** Children will experience substantial negative impacts on their peer and other neighborhood social relationships due to the severity of this housing crisis, which will force more low- and middle-income families to either move or become homeless.
- **Health Decline:** Though obesity has been on the rise for several years, it is now likely to spike even higher as the recession drives parents to rely more on low-cost fast food.
- **Decline in Safety:** Children are expected to fare worse due to higher rates of violent crime where youth are both victims and perpetrators. This is based on historic recessionary trends of budget cuts for policing and juvenile crime prevention.

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- **Education Decline:** Fewer children will be able to participate in Pre-Kindergarten programs.
- **Rise in Poverty Rate:** The percentage of children in poverty is expected to peak at 21 percent in 2010, comparable to that of previous economic recessions.
- **Decline in Family Income:** For all families, median annual family income (in constant 2007 dollars) is expected to decline from \$59,200 in 2007 to about \$55,700 in 2010.

The report also states that the economic downturn will take a greater toll on children in communities of color. "Years of studying the CWI show us that African American and Latino children are generally more susceptible to the consequences of economic fluctuations. When the economy is doing well, their well-being gains are more dramatic. When the economy slumps, they are harder hit than their white counterparts because more children of color live in poverty to begin with," said Ruby Takanishi, President of FCD.

The Foundation is particularly alarmed by the projected declines in Pre-Kindergarten participation, which typically leads to below-basic performance on Fourth, Eighth and Twelfth Grade tests. FCD calls on the Obama administration to implement policies that will circumvent these negative effects, such as increasing the use of Title I funds to add more Pre-K programs and to strengthen early elementary classrooms.

"The most important thing to note is that, while we predict a storm coming, this is a disaster we can prepare for by implementing thoughtful policies now that can prevent or mitigate the most damaging effects," Takanishi said.

To request an embargoed copy of the 2009 Child Well-Being Index and Special Focus Report, contact Yasmin Hamidi at yhamidi@fenton.com or 212-584-5000 x 227.

Methodology

The 2009 Special Focus Report is based on the Child and Youth Well-Being Index, which tracks changes in, and constructs summary indices for, 28 key national indicators across seven *Quality-of-Life/Well-Being* domains over the years 1975-2007. Data sources include the U.S. Census, Centers for Disease Control and Prevention, National Center for Education Statistics and other vital statistics and sample surveys. Projections for 2008-2010 are based on the assumption that the current recession will be similar in scale to the recession the nation experienced in the early 1980s, with the monthly unemployment rate peaking between 9 and 11 percent, and lasting two to three years, and not as severe and lengthy as the economic collapse of the 1930s Great Depression.

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About the Foundation for Child Development

The Foundation for Child Development (FCD) is a national private philanthropy dedicated to the principle that all families should have the social and material resources to raise their children to be healthy, educated, and productive members of their communities. For more on FCD, please visit www.fcd-us.org.