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NEW REPORT: IMPACT OF RECESSION ON CHILDREN TO REACH NEW LOWS IN 2010

Host of Related Setbacks Includes Drops in Pre-Kindergarten Enrollment, Rise in Drug Use and Violence

NEW YORK —The first report to offer comprehensive data on the impact of the Great Recession on American children's overall quality-of-life will be released June 8, 2010 by the Foundation for Child Development (FCD). The 2010 Child and Youth Well-Being Index (CWI) offers data on children's well-being from the first year of the recession (2008), and includes projections for years 2009 through 2012. Chief among the findings is that, by 2010, the recession will wipe out virtually all progress made for children in the Family Economic Well-being Domain since 1975. This domain includes the rate of children living in families beneath the poverty line, median family income, secure parental employment and health insurance coverage.

Specifically, the CWI indicates that the rate of children living in poverty in 2010 will be the highest it has been in 20 years. Almost 22 percent of American youth will be living below the poverty line this year, the highest among America's peer nations.

Although a number of economists speculate that the economy is slowly recovering, the CWI shows that a lag time typically occurs between when a recession first hits and its subsequent impact. Because of this lag, conditions for children will deteriorate over six of the CWI's seven quality-of-life domains and reach their lowest points this year.

"Research shows that children who slip into poverty, even for a short time, suffer long-term setbacks even when their families regain their economic footing," says Ruby Takanishi, president of the Foundation for Child Development. "This is especially true for children during their first decade of life. This means that, even if the recession subsides soon, the effects on these children will not. Unfortunately, we fear the worst is yet to come."

Other key findings from the report include:

- A decrease in community engagement. The Community Engagement Domain - comprised of indicators measuring the connections that children and youth have to their communities - will be dragged down by a decline in Pre-Kindergarten enrollment.
- An increase in the number of detached youth. The decline in community engagement also means a substantial increase in the rate of youth ages 16-19 who are 'detached' from key mainstream institutions, because they will not be in school nor have a job. This will be particularly true for African American and Latino young men.

- An increase in risky behaviors. The Safe/Risky Behavior Domain will increase as the detached youth created by the economic downturn will be at higher risk for risky behavior, including violent crime (both as victims and perpetrators) and illegal drug use.
- The Health Domain continues to decline as obesity continues to rise. Though obesity has been on the rise for several years, it is likely to climb even higher as the recession drives parents to rely more on cheap food over healthy food.

Takanishi says the drop in Pre-Kindergarten enrollment should be of particular concern. "There is considerable evidence that high-quality PreK programs combined with high-quality early elementary education can make a significant difference in the educational achievement of children, particularly low-income children. Not being able to read at grade level at the end of Third Grade has serious consequences for children's future learning and well-being.

FCD is calling on the local and federal government to maintain and, in some cases, expand existing health, education and other programs for kids; stating that, as the large majority of these programs are discretionary, our children are especially vulnerable to cuts during economic downturns. FCD is funding bipartisan advocacy organization First Focus to develop three related policy briefs to be released late summer and fall of this year. First Focus will also hold congressional meetings on each of the briefs, one of each to focus on child health, child poverty, and children of immigrant families, respectively.

Kenneth Land, Ph.D., the Project Coordinator of the CWI asserts, "The creation of safety nets in areas such as education would significantly reduce the dramatic rise and fall in the well-being of children that accompanies economic booms and recessions. This means an ongoing economic investment, yes, but such programs would both eliminate the need for costly policy responses in times of economic hardship and would provide the support systems young people need to gain access to social and educational programs that will allow them to reach their full potential."

The Foundation for Child Development releases the Child Well-Being Index each year to draw public attention to the well-being of children in the United States from birth to age 18.

Methodology

The Child Well-Being Index is an evidence-based measure of 28 key national indicators clustered in seven quality-of-life domains beginning with a base year of 1975. Data sources include the U.S. Census, Centers for Disease Control, National Center for Education Statistics and other vital statistics and sample surveys.

About the Foundation for Child Development

The Foundation for Child Development 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. To learn more about FCD, visit the organization's website at www.fcd-us.org.