

THE WORLD'S WEALTHIEST NATION HAS 46 MILLION OF ITS PEOPLE LIVING IN POVERTY



Figures released by the Census Bureau having an alarming piece of news, 46 million Americans, a sizeable chunk of the entire population, live in poverty. The Bureau says that the poverty line was drawn nearly half a century ago, in 1969 and it finds that 15 percent are currently living below the line, the highest of the last 4 decades. The poverty line represents the minimum standard of living for American families. It has not been modified since its formation though adjustments have been made for inflation. What is even more disturbing is that the poverty rate for children is 20 percent – more than the number what is frightening is that it has remained so for the last three years, evidencing that anti-poverty programs are not working. Poverty rates further escalate when they are viewed in isolation for Hispanic and Black children and reveal that upwards of one-third of Hispanic and Black children live in poverty. The report exposes the income inequality that exists in the country, with the have-nots increasing with each passing year increasing the divide that exists between them and those who are above the line, a gap that is in serious need of breaching. USDA reports confirm that more than 16 million American children are “food insecure,” meaning that they are not sure where their next meal will come from, or whether it will come at all. Rep. Mike Honda (D-California), co-chair of the Congressional Out-of-Poverty Caucus, expressed concern that these statistics are “a stark reminder that, although we are the wealthiest nation the world has ever known, far too many children are going to bed hungry.” The report said that not only had poverty increased incomes had also decreased. The income levels in 2010 were low, but they have further declined by another 1.5 percent. Workers are now earning almost 10 percent less than what they were earning in 1999, median income having Median income, adjusted for inflation, is now 8.9 percent lower than what it was in 1999. Gini Index, the yardstick that measures income inequality puts the issue in stark figures. On the index 0 means that there are no poor and all are equal, whereas a 100 would mean that all are poor. The figure currently at 47.7 had reached its highest so far. To explain the index in layman terms it means, that if it were 50, it would mean that 50 percent of the American population take all the country’s income whereas the other half receive nothing. Low employment rates are the prime contributor to this bad news. The Bureau of Labor reports that only around 58 percent of the adult population has employment of some kind. This is the lowest in the last three decades. What is ironical is that today the country’s total economic output is more than twice what it was in 1969. Logically it should mean that we should be twice as better placed to end poverty than our predecessors were in the America of 43 years ago. To worsen the scenario, the anti-poverty measures that needed a serious influx of funds to make them effective are, on the contrary, facing severe cuts in their budgets by cash strapped states, rendering them facile and toothless. What is needed is a strong political will and a realization of the seriousness of the problem, to bridge the inequality divide.

Census Bureau report has laid bare an issue that is not only embarrassing for a country that purports to be amongst the richest in the world but also predicts ominous consequences for the future for the country.

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