

# Behind the Numbers



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## AVOIDING POVERTY

The FCFC “Avoiding Poverty” indicator is based on research suggesting that American children have only an 8% chance of growing up in poverty when their parents have their first child after they reach the age of 20, finish high school and get married. However, children of parents who do not meet these three conditions have a 79% chance of being raised in poverty.<sup>1</sup> Using information from birth certificates, the FCFC is able to derive the percentage of first births where both parents completed high school, the parents are married before the child’s birth, and the mother is at least 20 years old. A high value for this indicator is good. It means that a high proportion of couples are starting their families with these conditions all being met, thus increasing the chances that their children will grow up without experiencing poverty.

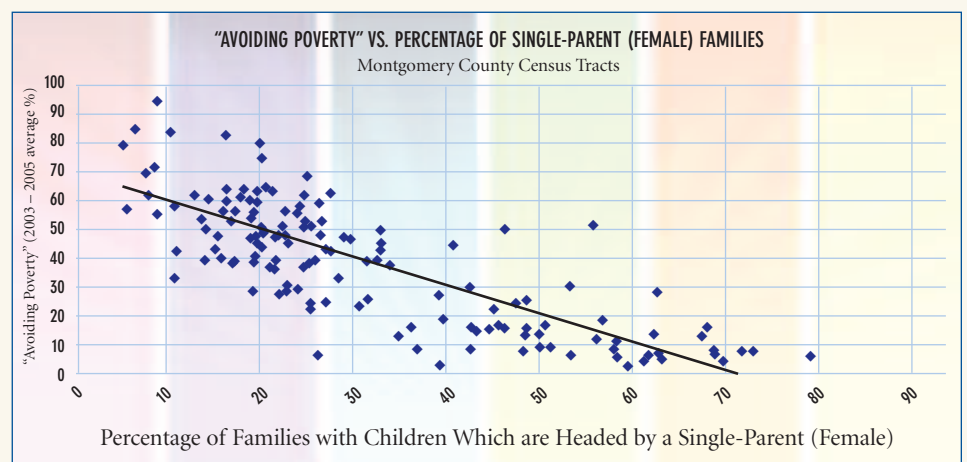
While the value of this indicator increased slightly in 2006 (see page 29), the historical trend has been downward, i.e., not in the desired direction. In fact, according to this indicator, for almost a decade, the majority of first-born children of Montgomery County residents are starting their lives with an increased chance of growing up in poverty.

In this light, the 2006 poverty rate for Montgomery County children under 18 years old, 21.2%,<sup>2</sup> can be considered a “snapshot” of a dynamic situation. Nationally, 81% of children in non-married households, and 63% of children whose head of household had less than a high school education, will experience poverty at some point during their first 17 years,<sup>3</sup> giving the FCFC indicator some added perspective.

The possibility that children growing up in these circumstances will eventually have their own children who themselves are at increased risk of living in poverty cannot be ignored and, in fact, adds urgency to this discussion. Consider the data displayed in Figure 1. The probability that a newly started family will successfully avoid poverty (as defined by the FCFC’s indicator) goes down in neighborhoods with high proportions of female-headed families.

Successfully reversing the unfavorable trend of this indicator will mean that more young people will finish their education, delay childbearing, and be married when they do have children. While it is true, from an economic standpoint, that unmarried couples living together are generally better off than single-parent families, it is also true that they are “considerably worse off” than married-couple families.<sup>4</sup>

The expansion of existing programs to help couples prepare for marriage or to strengthen existing marriages frequently gets mentioned as a possible remedy. As others have pointed out, it is not clear whether such programs can be effective when they get bigger and/or are targeted at more low-income couples.<sup>5</sup> It is encouraging that the federal government is currently funding large-scale demonstration projects of three such programs.<sup>6</sup> All of those interested in successfully helping young families to avoid poverty will be interested in the evaluation of these programs.



**Figure 1.** For each of Montgomery County’s 145 Census tracts the value of the FCFC indicator “Avoiding Poverty” is plotted against that tract’s percentage of single-parent (female) families. Neighborhoods with a high proportion of single-parent (female) families are ones where newly starting families are very likely to be poor.

- <sup>1</sup> William Galston, cited by Lisbeth Schorr, *Common Purpose*. New York: Doubleday, 1997, p.192.
- <sup>2</sup> American Community Survey, 90% margin of error +/- 2.4%.
- <sup>3</sup> Rank, M.R. and Hirschl, T.A. (1999) *The Economic Risk of Childhood in America: Estimating the Probability of Poverty Across the Formative Years*. *Journal of Marriage and the Family*, 61, 1058-1067.
- <sup>4</sup> Thomas, A. and Sawhill, I. (2005) *For Love and Money? The Impact of Family Structure on Family Income*. From *The Future of Children*, a publication of The Woodrow Wilson School of Public and International Affairs at Princeton University and The Brookings Institution, 15 (2), 57-74.
- <sup>5</sup> Amato, P.R. and Maynard, R.A. (2007) *Decreasing Nonmarital Births and Strengthening Marriage to Reduce Poverty*. From *The Future of Children*, a publication of The Woodrow Wilson School of Public and International Affairs at Princeton University and The Brookings Institution, 17 (2), 117-141.
- <sup>6</sup> See [www.supportinghealthymarriage.org](http://www.supportinghealthymarriage.org), [www.buildingstrongfamilies.info](http://www.buildingstrongfamilies.info), and [www.acf.hhs.gov/programs/opre/strengthen/eval\\_com/index.html](http://www.acf.hhs.gov/programs/opre/strengthen/eval_com/index.html).