

**EMBARGOED FOR RELEASE:**  
**Thursday, December 15**

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**NEW REPORT: CHILDREN BEARING THE BRUNT OF AMERICA'S  
WIDENING INCOME GAP**

**America Wealthier, but Children No Better Off  
Than They Were 35 Years Ago**

**Cuts to Education, Food Stamps, and Health Insurance Programs Would  
Drastically Worsen Situation**

**New York** -- Although the Gross Domestic Product (GDP) has risen 168 percent since 1975, American children's quality of life has risen a mere 3 percent, according to the Foundation for Child Development's (FCD) annual Child Well-Being Index (CWI), to be released Thursday, December 15<sup>th</sup>. This new report paints a stark picture of the reality of American families and their children, finding that the well-being of children and families has trailed far behind our country's hefty economic growth over the past 35 years, and that things are only poised to get worse.

Kenneth Land, author of the report states, "With last year's report, we warned that, if our country fails to act, virtually all the gains made since 1975 would disappear. And they have. Our failure to meet the most basic needs---economic security, education, health---of so many children will have damaging and long-term effects, particularly on those children now in their first decade of life."

The CWI is the nation's most comprehensive measure of trends in the quality-of-life of children and youth. It combines national data from 28 indicators across seven domains into a single number that reflects overall child well-being. The CWI was created as an in-depth way to view children's quality-of-life, to complement the GDP, an economic index.

"Our children are bearing the largest burden of this country's widening income gap," says Ruby Takanishi, President of FCD. "Instead of mindlessly cutting programs for children, we should be thoughtfully increasing our investments in our human capital by assuring that children grow into well-educated and healthy contributing members of our communities."

Other key findings from the report include:

- **Families have lost all economic gains they've made since 1975, and are likely to continue losing ground.** This year's CWI finds that family economic well-being is actually lower than it was in 1975. In other words, any progress made in the family economic well-being domain in the past 35 years has been essentially wiped out.

- **The percentage of children living in poverty stands to increase.** A larger percentage of children were living in poverty in 2010 than in 1975, and due to likely budget cuts to programs that support children, the author of the report anticipates that this percentage will only grow higher in the coming years.
- **There has been no substantial improvement in health insurance coverage for children: seven million American children are still uninsured, and the number is growing.** This year's CWI finds that the rate of children covered by health insurance has increased by only one quarter of one percent. This means that, despite the State Children's Health Insurance Plan (SCHIP), a program designed to close the gap, many children are still not covered.
- **As additional funding from the Federal Stimulus Package ends, things stand to deteriorate further if the federal and state governments don't make investments quickly to fill this gap.** Children are the poorest of all age groups in the U.S. Yet their share of the federal budget investments is projected to drop from 11 percent in 2010 to 8 percent in 2020. This means likely cuts to education and public health insurance – all programs that disproportionately affect children.

“The country is in a political gridlock,” says Takanishi. “But both parties agree that getting the economy moving is essential. Investing in children's education and health as well as their families' economic resources, is key to fueling America's economic success.

#### ABOUT THE CWI

The Foundation for Child Development's annual Child and Youth Well-Being Index (CWI) is the nation's most comprehensive measure of trends in the quality-of-life of children and youth. It combines national data from 28 indicators across seven domains into a single number that reflects overall child well-being.

The CWI is a tool created to inform policymakers and the public about how well children are faring over time. It was created as a way to view children's quality-of-life by capturing indicators not included in the Gross Domestic Product (GDP), a purely economic measure.

#### ABOUT 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. [www.fcd-us.org](http://www.fcd-us.org).

#### COMING SOON: ABOUT THE NEW STATE INDEX

In January, for the first time, FCD will release a state version of the CWI. The State CWI draws from a richer data set than previous state measures of child well-being and will compare children's well-being across states. It will also measure the strength of relationships between child well-being and selected economic, demographic and policy measures at the state level.