INTRODUCTION

When children are poor, the whole society sustains dramatic short term and long term losses. Schools pay when they have to provide services to children with special needs and when children repeat grades. Hospitals, insurers and social services pay when children’s mental and physical disabilities require costly care [21]. Taxpayers pay for these remedial programs through higher taxes to compensate for higher costs of social services and medical care and to compensate for the lowered contributions that poor people are able to make by virtue of their much reduced earnings potential [21]. Businesses pay “when poor children grow up to become less educated, less productive workers” [21:14]. They pay when workers with low skill and reading ability need more training or when costly mistakes are made in services to customers or in the operation of machinery [21]. It is projected that the loss in our country’s future economic output resulting from the impoverishment of 14.5 million American children approaches $130 billion dollars [21].

Concerns about the impacts of poverty on children living in the South are particularly urgent. As far back as statistical and narrative accounts have existed, poverty has affected the lives of a disproportionate number of families and children in the South. Child poverty is especially pronounced in southern Appalachia, the Black Belt and the Delta areas of the South [22]. Current patterns of social and economic inequalities are tied to the ways in which the economies of these regions were organized over a century ago around plantation agriculture and coal mining [5].

For years, the economy of the South was dependent upon low-wage, low-skilled manufacturing. However, the shift to a global marketplace has significantly altered the rural economy of the South. To remain competitive, the manufacturing sector is now seeking individuals who have higher levels of education and good job-related skills. In order to find the right pool of workers, many manufacturing firms are now moving to urban centers of the region [13] or shifting their operations to overseas locations that offer lower cost labor [14]. The end result is that those who are poor — many with limited job skills and low educational levels — are having a difficult time securing steady employment. As such, these individuals and their families find themselves more deeply entrenched in poverty with little hope of escape any time soon.

This report examines child and family poverty within the rural South, the forces that perpetuate poverty, and the long term consequences of poverty for children, families, communities and the region as a whole. The report concludes with an exploration of policy considerations for addressing the challenges facing families in poverty in the rural South.

THE FACES OF POVERTY ARE THE FACES OF POOR CHILDREN

The South compares less favorably with other regions of the United States when it comes to child poverty. For children under the age of 18, poverty rates are highest in the South (18.9 percent) than in any other region of the United States (Table 1). Unique cultural, historical and economic factors have combined with the traditional reluctance of
Southern state and local governments to invest in community and public services to produce the most notable deficits in child welfare of any region in the country [12]. As a consequence, Southern babies are more likely than those in other parts of the country to have low birth-weights and to die before their first birthdays. Moreover, Southern teens are more likely to get pregnant and to drop out of school [12]. The magnitude of the difference between the South and the rest of the country is made clear when one of the “hypothetical additional risks children assume simply by living in the South” means that 580,000 more children will live in poverty in the South [12].

Child poverty rates have also been historically higher in nonmetro areas of the United States. For children under 18, the poverty rate for nonmetropolitan areas is 20.3 percent compared to 16.3 percent for the United States as a whole. But, if the focus shifts strictly to children living in rural areas, the South emerges as the most impoverished rural region of the country. The poverty rates for children living in nonmetropolitan areas of the South was 24.9 percent, which is not only higher than any other region but also higher than any child poverty rate in metropolitan areas of any region. Moreover, of all children living in poverty, 42.7 percent live in the South compared to 36.8 percent of all children above and below poverty. Moreover, a larger share of poor children in the rural South are severely poor (family income less than 50 percent of the poverty level) when compared to poor children residing in other regions of the United States (41 percent versus 33 percent) [17].

**The Color of Child Poverty**

Although a majority of poor children in the rural South are white, the poverty rates for Native American children, Latino children and African American children are especially high relative to those for white children [22]. Table 2 offers a snapshot of this. Child poverty rates are the highest among black and Hispanic children nationwide (30.2 and 28 percent respectively compared to 13.4 percent for white children). The impact of racial disparities grows dramatically for black children living in the rural areas where child poverty rates are the highest at 40.5 percent. The legacy of policies and social and institutional arrangements that has left Native Americans, Latinos and African Americans relatively landless and resourceless, and with much weaker connections to educational resources and labor markets than whites, has served to make children of color more vulnerable to poverty in the rural South. Native American poverty is particularly concentrated among Native American children living on reservations and tribal trust lands, while Latino poverty is concentrated within the colonias of the Southwest.

African American children in the South are two times more likely than white children to be poor. The disparity remains for African American children living in rural areas of the South. This fact highlights the dramatic impact that historical forces have had in continuing to influence the life chances of African American families in the rural South, especially when the focus is the Black Belt, the largest expanse of poverty within the nation. The Black Belt spreads from East Texas, Louisiana and Arkansas across to Mississippi, West Tennessee, Alabama, Georgia, North Florida, North and South Carolina, and Virginia. This is the area that has been historically dominated by the plantation-slave economy. Today, the Black Belt contains 83 percent of the nonmetropolitan African American U.S. population and 46 percent of all African American children.

### Table 1.

**Child Poverty Rates (under 18 Years Old) by Region and Residence, 2001.**

<table>
<thead>
<tr>
<th>Area</th>
<th>Total Child Poverty Rate</th>
<th>NonMetro Child Poverty Rate</th>
<th>Metro Child Poverty Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>South</td>
<td>18.9</td>
<td>24.9</td>
<td>17.3</td>
</tr>
<tr>
<td>Northeast</td>
<td>14.7</td>
<td>20.1</td>
<td>14.1</td>
</tr>
<tr>
<td>Midwest</td>
<td>13.3</td>
<td>13.0</td>
<td>13.4</td>
</tr>
<tr>
<td>West</td>
<td>16.0</td>
<td>20.9</td>
<td>15.3</td>
</tr>
<tr>
<td>United States</td>
<td>16.3</td>
<td>20.3</td>
<td>15.4</td>
</tr>
</tbody>
</table>

manufacturing and higher quality service 
comprehensive benefits typically found in 
do not offer the higher wages and more 
ducing jobs [14]. Unfortunately, such jobs 
been principally tied to service sector pro-
demanding better educated and technolog-
and is less able to compete for jobs 
lost manufacturing gains 
the rural South loses manufacturing gains 
investment in basic education and 
plantation agriculture and other extraction 
transition from 
rural South is instructive in this regard. 
what they lack in education 
cated than the parents of poor children in 
parents of poor children in 
the rural South are younger and less edu-
the limitations of the educational and skill 
poor families in the rural South reflect the 
work at a livable wage. These challenges 
are more likely than children in two-par-
more likely than children in two-parent families 
long term well-being. The type of neigh-
borhood, quality of housing, educational 
achievement, social opportunities, access 
to quality health care, and entry points to 
the labor market are all impacted by fami-
ly income [16].

For children whose parents face these 
going challenges to economic security, 
living in poverty means that there is a 
greater likelihood of growing up in envi-
ronments that are filled with conflict and 
stress. The struggle to make ends meet on 
a daily basis leaves little time and energy 
the development of close, nurturing 
relationships between a parent and child 
that are vital to the healthy development 
of children [2]. The emotional strains and 
multiple stresses in the face of repeated 
failures so characteristic of impoverish-
ment lead to hopelessness and despair for 
parents [26]. Furthermore, these stresses 
are intensified for single heads of house-
holds who have the sole responsibility for 
responding to the range of child rearing 
needs and demands. This sense of hope-
lessness is often passed on to children, 
leaving them with limited aspirations for 
the future [7]. This outlook on life, shaped 
in the early stages of their upbringing, 
translates into children with few tools to

<table>
<thead>
<tr>
<th>Area</th>
<th>All Races</th>
<th>Black</th>
<th>White</th>
<th>Hispanic</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>16.3</td>
<td>30.2</td>
<td>13.4</td>
<td>28.0</td>
</tr>
<tr>
<td>NonMetro</td>
<td>20.3</td>
<td>40.5</td>
<td>17.0</td>
<td>32.3</td>
</tr>
<tr>
<td>Metro</td>
<td>15.4</td>
<td>28.7</td>
<td>12.6</td>
<td>27.5</td>
</tr>
<tr>
<td>Southern Region</td>
<td>18.9</td>
<td>30.5</td>
<td>15.0</td>
<td>29.6</td>
</tr>
<tr>
<td>NonMetro</td>
<td>24.9</td>
<td>39.8</td>
<td>19.8</td>
<td>31.9</td>
</tr>
<tr>
<td>Metro</td>
<td>17.3</td>
<td>28.1</td>
<td>13.6</td>
<td>29.2</td>
</tr>
</tbody>
</table>


Americans in the U.S. population [25]. The Black Belt is also home to 34 percent of the nation’s poor, and 43 percent of the rural poor. In 1990, 90 percent of the non-metro rural African American poor were located in the Black Belt [25]. It is within the Black Belt that the deeply rooted connection between poverty of place and poverty of people is made very clear.

**POVERTY OF PLACE: POOR FAMILIES, POOR CHILDREN AND REGIONAL RURAL ECONOMIES**

What makes some places persistently poorer than others, places that make it more difficult for families and children to escape from poverty? The case of the rural South is instructive in this regard. Historically, the slow transition from plantation agriculture and other extraction based economies (e.g., coal, timber) to manufacturing, together with historically weak investments in basic education and skills training, have produced distinctive patterns of low-wage industries and low-skill workforces in rural communities. As the rural South loses manufacturing gains realized during the 1970s and 1980s, be it to the urban South or to other countries, and is less able to compete for jobs demanding better educated and technologically skilled workers, job expansion has been principally tied to service sector producing jobs [14]. Unfortunately, such jobs do not offer the higher wages and more comprehensive benefits typically found in manufacturing and higher quality service sector jobs [4].

Regrettably, this trend has only exacer-
bated long standing patterns of working 
poverty in the rural South. Working 
poverty is characterized by more part-
time and seasonal employment and the 
lowest wage scales in the country [10]. 
The skill and resource characteristics of 
poor families in the rural South reflect the 
limitations of the educational and skill 
building opportunities and wage earning 
opportunities available within the regional 
economy. The parents of poor children in 
the rural South are younger and less edu-
cated than the parents of poor children in 
the rest of the nation [19]. By virtue of 
what they lack in education — skills and 
experience — these parents face great dif-
culty in finding and qualifying for stable 
work at a livable wage. These challenges 
are greater for women, who are excluded 
from the labor force at higher rates than 
men and segregated into lower paying, 
low or no benefit jobs. This is why chil-
dren in mother-only families, that are 
more likely than children in two-parent 
families to live in poverty. For children 
living in two parent families in the 
rural and urban South, poverty rates were 
16 and 8 percent respectively compared to 
50 and 43 percent for children living in 
mother-only families [19].

When parents’ chances of earning an 
adequate wage are hurt by the very nature 
of the regional economy, children suffer 
since family income remains the single 
most important factor for determining the 
overall quality of a child’s present life and

**Children in mother-only families are more likely than children in two-parent families to live in poverty.**
succeed in school or to transition successfully into the workforce once they reach adulthood.

No doubt poor children face considerable obstacles to securing the education they need. Learning opportunities at home are limited as a result of strained parent-child relations, a lack of home-based learning materials such as books and computers, and environmental problems such as bad lighting [21]. When combined with such factors as limited access to decent child care and adequate nutrition, poor school performance and high school dropout levels are almost assured. These major setbacks will prevent poor children from gaining access to the knowledge and skills necessary for qualifying for adequate employment and decent wages. The end result is the continuation of the cycle of poverty from one generation to the next.

WELFARE REFORM AND CHILD POVERTY

Historically, the rural South has depended heavily on public assistance programs to compensate families for the weaknesses in the economy. In fact, of the 580 nonmetro counties in the top 25 percent of counties dependent on Aid to Families with Dependent Children (AFDC) in 1995, 347 (60 percent) were rural counties in the South. In 1996, the U.S. Congress passed the Personal Responsibility and Work Opportunities Reconciliation Act (PRWORA), an ambitious change in our Nation’s welfare system. This legislation dramatically altered the way in which the federal government responds to the challenges that poor children and their parents face in meeting their basic needs by eliminating the federal entitlement to benefits. The Temporary Assistance for Needy Families (TANF) program was organized around the idea that if welfare recipients could be moved into jobs and model family values in their lifestyles, they would no longer need public assistance. While federal law sets a 60 month lifetime limit for recipients on assistance and requires recipients to participate in work or work related activities within 24 months, states can set shorter time limits. TANF is rigid in that it sets a single block grant amount in funding for each state for five years, regardless of economic changes at the state or federal levels. It is flexible in that it allows states to use TANF funds to provide a broader range of benefits and services than under AFDC.

The presumption that employment will help poor families to work their way out of poverty is already challenged by the large numbers of working poor families in the rural South. While results of studies on the impact of welfare reform on children are mixed, there is one straightforward conclusion that emerges. When parents are forced to leave welfare for low-paying jobs, they remain poor, and conditions often worsen without the benefit of Medicaid for health care and food stamps for adequate nutrition. This does not lead to the creation of better environments for children [11]. The difficulties parents in the rural South face in combining child-rearing with employment, in the context of economic hardships, are made considerably more difficult by the longstanding lack of support services in the forms of transportation, child care, drug and violence counseling, and prevention programs, etc. in rural communities.

Recent studies indicate that positive impacts of welfare reform on children are realized when local welfare to work programs are able to provide for wage subsidies, child care subsidies, transportation provisions, job and skill building services, and mental health interventions [15]. Programs that count educational activities in the form of high school/GED completion or community college/university degrees as work are found to be especially valuable in enhancing the individual’s potential for the kind of long range employment that will pay an adequate wage. Currently, states in the South are less likely to allow post-secondary education to count as a work activity [27]. Using PRWORA’s flexibility to make education and training possible for those making the transition from welfare to work within the region could be important for strengthening the overall human capital of the region. This would help make the region more attractive to good companies that come prepared to offer decent jobs, paying good wages and benefits.

Within the South, the rate of decline in welfare caseloads has been greater than the national average in all states except Tennessee. The rates of decline are especially significant in states that continue to show very low per capita incomes and contain a large proportion of the Nation’s persistent poverty counties [9]. In all likelihood, the decline in welfare recipients is not simply a product of positive changes in the economy, but also of the increasing gap between the benefits associated with work and those realized by staying on welfare. The South has the lowest benefit levels in the Nation, ranging from $164 to $280 a month for a family of three with no assets [1]. Welfare declines in the South could also be the result of stronger sanctions for not complying with TANF rules. Already families in the rural South are more likely to face losing benefits as a result of sanctions for not complying with TANF requirements. Of the 14 states with strong sanctions, eight are in the South [9]. Sanctions can range from the withholding of the parent’s share of the TANF benefit to withholding the full amount for

![Family income remains the single most important factor for determining the overall quality of a child’s present life and long term well-being.](image)
Wilson [23] shows that the loss of jobs and the flight of industries, associated with TANF to turn increasingly to work.

Ultimately, Southern states are faced with making decisions about how to use TANF block grants in ways that allow them to respond to the unique conditions that make it difficult for families in rural communities to leave cash assistance [28]. Some states have opted to make use of the flexibility afforded them by PRWORA. This has resulted in programs designed to provide a mix of services for building the education and skill levels of parents making the transition from TANF to work and to provide assistance in the forms of childcare subsidies and transportation and counseling support within communities. Most notably these programs acknowledge the weaknesses within the Southern rural economy by systematically subsidizing the wages and benefits of workers.

**Race, Class and Persistent Poverty**

Persistent race and class inequalities work in a feedback relationship with weakened economies to keep communities and families poor. For instance, observations on urban poverty made by Wilson [23] shows that the loss of jobs due to the flight of industries from the Northeast and Midwest between 1970-80 and the flight of black and white middle classes from the cities accelerated long-standing race and class inequalities. The result is that poverty deepened and persisted in the inner city African American communities of the North.

In looking at the case of persistent poverty in the rural South, Duncan [5] observed how the plantation economy of the Delta and coal economy of Appalachia were organized on the basis of race and class inequalities. She noted that by restricting access to wealth and power to themselves, wealthy white classes have been able to prevent poor families from having access to the type of social and cultural resources or institutions that can help to make a real difference in their lives. For instance, poor children are often confined to poor performing schools with limited course offerings. As a result, they leave these schools lacking the knowledge and skills needed to move out of poverty. It is not a matter of lacking the will or talent to succeed academically. Rather, it is a matter of being denied the opportunities to develop the skills, habits, work routines and social networks that would support their efforts to move beyond poverty.

The impact of one class or race denying others the access to important resources can give the appearance of perpetuating a culture of poverty. For example, a child growing up where he or she experiences low educational attainment and joblessness, as a result of severely restricted opportunities, will likely be part of a network of kin and friends that includes a high proportion of people experiencing the same lack of access to opportunities. Under these conditions, it is unlikely that he or she will develop the habits and disciplines required for getting or keeping a job in the future. The consequences for the individual child are often self blame, low self-esteem and low self-confidence. When these consequences become the normal experience for a sizable number of individuals within a community, a collective sense of community inertia and disempowerment can result.

Duncan [5] suggests that if bridges could be built between classes and racial groups, social isolation could be reduced, thus making it easier for poor families in the rural South to gain access to the community resources that would help them move out of poverty. Duncan [5] highlights the positive efforts of a sizable and civically engaged middle class in her case study of a rural New England community to make resources and opportunities, usually controlled by wealthier classes, available to low-income community members.

It is clear from this picture that the challenges Southern rural families face in moving out of poverty are very complex. The feedback relationship between long-standing problems within the economy and long standing class and race inequalities has served to keep many families in the region impoverished. Breaking this cycle will be possible through a mixture of creative and hard hitting policies. It is to this matter that we now turn.

**Policy Considerations**

The United States compares unfavorably with other industrial countries when it comes to lifting children out of poverty and in preventing child impoverishment. Many countries have implemented strong policies for boosting family income when employment alone is unable to provide families with a basic livelihood. Because the United States does not have such policies, a child in the United States is twice as likely as a child in Britain, three times more likely than a child in France or
Germany, and 60 percent more likely than a child in Canada, to be poor [21].

What becomes clear through this type of comparison is that the United States in general, and the South in particular, does not have long range comprehensive family policies for helping families cope with weaknesses in the economy. Since family income is the single most important factor for ensuring a family’s economic security and for providing the conditions under which children will move on to both educational and work experiences, it is vital that this type of policy initiative be taken on full force.

Currently, the federal earned income tax credit (EITC) provides the best model for developing such a policy. It offers tax credits to “low and moderate income workers, primarily those with children, to offset the burden of Social Security pay-roll taxes, supplement earnings and complement efforts to help families make the transition from welfare to work” [8:25]. By establishing state level EITCs to complement the federal EITC, states will significantly increase their income tax thresholds (i.e., the income level at which a family begins to owe taxes). States also can opt to develop more state-funded-only programs from the flexible portion of their TANF grants. Separate state programs allow states more flexibility, such as subsidizing wages through cash assistance programs and providing for an array of support services for working parents and parents preparing to work, without triggering time limits and work participation requirements.

Southern states with depressed economies could raise the state minimum wage above the federal level. The weight of recent evidence challenges the argument that such a move would have an adverse impact on employment by scaring away firms [8]. In fact, recent studies suggest that when the minimum wage was raised, employment trends were more positive. Raising the minimum wage may discourage turnover and make it easier for employers to find qualified workers [8].

Appeals to implement policies that will assist poor families and children in moving out of poverty and prevent family and child impoverishment within the region typically focus on the benefits that will be gained by individual families and children through these changes. A perspective that makes explicit the ties between alleviating the poverty of individual families and promoting regional economic development provides a realistic and compelling rationale for promoting policies that will change the long standing social relations and institutional practices that have produced low levels of education and high levels of unequal access to employment.

A child in the United States is twice as likely as a child in Britain, three times more likely than a child in France or Germany, and 60 percent more likely than a child in Canada, to be poor.

Job skill and re-employment training can be critical components of a comprehensive state plan to confront unemployment and underemployment in the wake of the up-skill restructuring of the economy within the South. Compensating adults for educational and skills training they may not have secured as a result of weak ties to educational institutions strengthens the whole community to successfully compete for jobs with firms seeking more highly skilled workers. Such educational and skill enhancing strategies can be coordinated with TANF work readiness programs. In some states, for instance, TANF programs have worked together with companies to provide workers with opportunities to both work and strengthen basic education and skill levels in preparation for full time employment. This comprehensive approach to work preparation could also be linked to employment in public works projects that both strengthen local infrastructures as well as the individual and collective self confidence of those who have been on the margins. These policies would have the further effect of creating positive models for mentoring and encouraging children and youth by first providing their parents with access to resources, skills and work routines. Children would follow, acquiring important cultural resources for moving beyond poverty [5].

Schools are a point of contact for parents and children. National initiatives to provide a quality public school education for all insures access to the cultural resources needed to make a difference in a child’s life, no matter what the family’s economic circumstances. Schools also offer potential as place-based resources for meeting many needs in the community. School-based family resource centers offer a range of services, from early intervention programs designed to enhance child, maternal and family functioning, to teen intervention/counseling and adult education programs [3]. There are also communities that address broader community development and building needs through programs offered through school-based resource centers [3].

Since longstanding patterns of class and race inequalities continue to have profound impacts on a family’s pathways out of poverty in the rural South, it is extremely important that the federal government provide sensitive and strategic mediation and oversight in order to open access to resources and institutions. For example, federal oversight is needed to insure that both resources and decision-making flexibility are allocated to the school systems in every community to address the range of needs for assuring both quality training and education, and pathways to quality lives. Federal over-
sight of access to resources and institutions can also work through community building projects, outside of the school systems. For example, health intervention projects could serve as empowerment models that employ local, low income people to identify and address problems and to ultimately work toward addressing a broader range of community problems by drawing upon the involvement of other community members.

CONCLUSION

The disproportionate share of child poverty in the rural South draws attention to historical weaknesses in Southern economies and systems of education. These weaknesses have resulted in high levels of unemployment and underemployment, high concentrations of workers in low-wage jobs, and heavy dependence of families on public assistance programs. As a consequence, livelihood options for parents have been limited. Gender and race serve to make these difficulties worse. Families headed by women are significantly disadvantaged because women are excluded from the labor force at higher rates and segregated into the lowest paying jobs. Moreover, persistent patterns of racial discrimination have served to exclude African Americans, Latinos and Native Americans from receiving the education and training that would prepare them to earn a living wage, thus giving these groups significantly higher unemployment and underemployment rates within the region [14]. These inequalities are reflected in the disproportionate share of poverty experienced by African American, Latino and Native American children. The feedback relationship between weak rural economies and class and race inequalities in the South has made it difficult for many communities and families to break out of the cycles of poverty that severely limit the social and economic possibilities for their children. Since the proportions of women and nonwhite workers are increasing within the Southern rural workforce, continued gender and race inequalities with regard to access to adequate educational training and employment could further compromise the well-being of an increasing number of children, as well as the overall strength of the regional economy.

This policy brief has highlighted the complex nature of child and family poverty within the rural South. However, the weight of evidence shows a direct relationship between parental education, employment and child well-being. Presently, there are a number of creative and strategic efforts that states can coordinate between TANF programs and local businesses and institutions to ensure that parents receive living wages and have access to necessary support programs, such as childcare and educational programs that can help them provide for themselves and their children. By pursuing such strategies Southern states can make a genuine commitment to breaking the cycle of poverty for families, communities and the region. By doing so, a strengthening of the overall human resource base and the economy of the South and its states can be realized.

REFERENCES


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