

The Baltimore Sun

March 9, 2008

**THE POOR AMID PLENTY;  
MARYLAND MAY BE AFFLUENT OVERALL, BUT POVERTY TRAPS FAMILIES, INCLUDING  
CHILDREN, THROUGHOUT THE STATE**

By: Sumathi Reddy, Sun Reporter

The statistics are eye-opening - if not startling.

In Maryland, one of the most affluent states in the nation, significant swaths of poverty endure in urban and rural areas, among families and children.

In Baltimore, 22.2 percent of residents live in poverty, new Census Bureau estimates show.

To the east in Somerset County, the figure is 20.1 percent.

And to the west in Allegany County, 15 percent of residents live in poverty.

In a state where life for most residents has improved, those on the lowest rungs remain stuck. Their situation is made more difficult by Maryland's high cost of living, as well as by a lack of adequate programs for job training and adult education, those who advocate for the poor say.

"There are very troubling, persistent pockets of poverty and it's not just Baltimore City, which is the common stereotype," said Sean Dobson, executive director of Progressive Maryland. "If you look at Maryland over time, we stack up well compared to other states, but compared to 1999 or 2000, the average person is definitely worse off and the poorest among us are significantly worse so. We can certainly do more."

Maryland had the third-lowest statewide poverty rate, 8.3 percent, according to the 2005 Small Area Income & Poverty Estimates, which the census released earlier this year. (Changes in methodology make it difficult to compare the data with previous years, a census spokesman said.)

Yet there is a huge gap between the state's median household income - \$61,546 - and the resources of the poor. The federal threshold for poverty, a sliding scale based on family size and the head of the household's age, starts at annual income of \$9,973 for a one-person household and is less than \$20,000 for a family of four.

Kate McMinn Campbell, a social policy analyst at the Progressive Policy Institute in Washington, said that across the country poverty rates dropped significantly in the 1990s but have crept back up this century. Maryland shows high rates in its urban and rural centers, much like the rest of the nation, she said.

"Maryland is fortunate that it has one of the lowest poverty rates in the country, but at the same time there's still a large group of people who are left behind," she said.

The disparity between rich and poor in a state with such wealth makes the numbers especially troubling, state poverty advocates say.

"The point is we're very affluent and that affluence gives us a real advantage because we do have the resources to make even more gains in reducing poverty than we're doing," said Jason Perkins-Cohen, executive director of the Job Opportunities Task Force, a Baltimore-based nonprofit. "We're not putting our resources to work in the best way we could."

Perkins-Cohen said Maryland ranks in the bottom third of states in spending on adult education, a critical factor in reducing poverty. The other area that needs more attention and state dollars is training, he said.

"Maryland invests very little, outside of federal funds, in training," said Perkins-Cohen. "We don't spend much ourselves and that's terrible. If you're trying to help alleviate poverty, one clear area to work on is helping adults in the labor force have the opportunity to improve their skills so they can get better jobs."

In terms of youth under age 18 living in poverty, Maryland had the second-lowest rate, 10.9 percent.

But local rates ranged as high as 30.9 percent in Baltimore, 20 percent in Garrett County, 26.6 percent in Somerset County and 22 percent in Dorchester.

More disturbing is research done by the Annie E. Casey Foundation showing that youths from low-income households in affluent states lag behind their counterparts more than in less affluent states, said Laura Beavers, a senior associate.

The foundation examined 30 indicators of child well-being, such as access to after-school programs and health. "We found that when there's a lot of disparity in income in a state it tends to aggravate issues for kids and oftentimes kids do worse," said Beavers.

"One of the big impacts on low-income kids is that the housing costs are so much higher," she added. "So the extra stress of paying a large portion of income on rent really hurts."

A report by Progressive Maryland showed that while the economy has been growing, wages in Maryland have been stagnant - even as income grows for those at the upper end of the scale. "Average blue-collar families that work hard and earn a wage are not included in the bonanza," Dobson said.

Matthew Joseph, executive director of Advocates for Children and Youth in Maryland, noted that in addition to being one of the wealthiest states in the nation, Maryland is one of the most expensive states to live in.

His group commissioned a study to show what it costs a family to make ends meet in Maryland - more than twice as much as the federal poverty level, he said. The study also showed that the cost of living for a family of three in Maryland increased by 31 percent from 2001 to 2007.

"We are the wealthiest state in the United States, so it's not a surprise that we would have the second-lowest poverty rate, but I think that's a misleading figure," he said. "Because the federal poverty level used is the same across the nation, it's a little misleading."

He added, "We don't know how many families are below that self-sufficiency level. It's that gap population that is very sizable in Maryland."

The picture is not all bleak.

Poverty advocates point to several positive steps Maryland has taken in recent months.

In the General Assembly's special session last year, legislators increased eligibility levels for health insurance.

They also increased the refundable earned income tax credit for families earning lower wages. Research on the federal level has shown that the earned income tax credit is the most effective anti-poverty tool for children, said Joseph.

"Maryland is one of the few states that has one of these, which is one indicator of something that's being done to help poverty," said Joseph.

With poverty spread across the state, not just in Baltimore, the political will to solve the problem should increase, advocates say.

"The issues that used to just relate to families in Baltimore City seem to be relating to families in a much broader cross-section in the state of Maryland," said Joseph. "In some ways that's a sad story for Maryland, but on the other hand it may mean that there will be a broader group of decision-makers involved in solving the problems."

Attitudes toward alleviating poverty have also improved nationwide, according to a report issued by the Pew Research Center last year. Fifty-four percent of Americans say they believe the government should help more needy people, compared with 41 percent in 1994, the report said.

"The report basically showed a return to the 1980s view of government action as it's directed to the poor and disadvantaged," said Richard Morin, a senior editor at the center. "People have sort of abandoned the mid-1990s welfare-queen mentality and developed a more sympathetic attitude toward government action and intervention."

