

2014 HUNGER REPORT

ENDING HUNGER IN AMERICA

EXECUTIVE SUMMARY



breadfortheworld
INSTITUTE



Ending Hunger in America

Ending hunger in America is possible. It is not an impossible dream. If we decided we really wanted to do it, we could wake up one morning in 2030 and be living in a country where hunger is rare and temporary, not the shared experience of millions of Americans that it is in 2014.

The United States has accomplished more audacious feats than this in shorter periods of time. During the early years of the Great Depression, for instance, few expected that New Deal reforms would reverse what was at that time the worst period of income inequality in the nation's history and lead to decades of more broadly shared prosperity.

The New Deal was a bold response by the U.S. government to fissures in the economy exposed by the Great Depression. We are still waiting for a commensurate government response to the fissures exposed by the Great Recession, which officially ended in 2009. Of course the United States is a much different place in 2014 than it was in 1934, but arguably, the return of income inequality on the scale we have today—and the high poverty rates that go with it—mean that the government needs to make another correction just as bold as the New Deal.

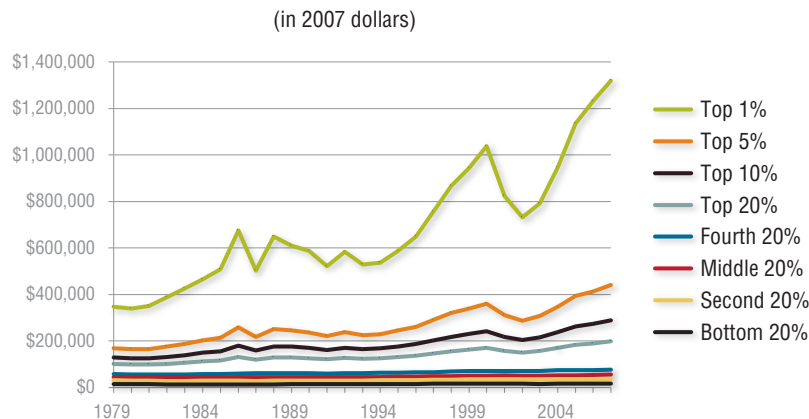
“We cannot succeed against hunger while ignoring poverty, because hunger is a physical manifestation of poverty.”

2030 is not an arbitrary date to wake up to an America without hunger. Although most of this report is about ending hunger in the United States, it also calls on the U.S. government to work within the international community to forge a unified and universal set of global development goals to follow the Millennium Development Goals (MDGs), whose deadline is December 2015. A post-MDG agreement should include a specific goal to end hunger and

achieve food security and good nutrition in all countries by 2030. “MDG” may not be a household word in the United States, but the MDG experience is inspirational: setting goals led to concrete progress on global poverty.

In 2000, every country agreed to support the MDGs, which included cutting global hunger and poverty rates in half. The poverty goal has already been met, and we could achieve the hunger goal given a strong push in the time remaining before the MDGs expire. The United States and other developed countries contributed to the success of the goals as donors, but the MDGs did not call

Average After-Tax Income by Income Group, 1979-2007



Source: Congressional Budget Office, Average Federal Taxes by Income Group. “Average After-Tax Household Income,” June, 2010.

for donor nations to reduce hunger and poverty at home as it did for developing countries.

The post-MDG goals should be universal, calling on every country to effectively end hunger and poverty. The momentum and sense of purpose created by global progress against hunger and poverty could help to inspire hope for progress in the United States. The improvements made under the MDGs are significant enough to give us confidence that ending hunger by 2030 is an attainable goal. And Americans rarely back down from a challenge.

The 2014 Hunger Report, *Ending Hunger in America*, urges President Obama and Congress to lead the country in setting a goal to end hunger by 2030, and it offers a four-part plan to accomplish this: 1) a jobs agenda, 2) a stronger safety net, 3) human capital development, and 4) public-private partnerships to support innovative community-led initiatives against hunger. The report also calls on the U.S. government to support international efforts to end hunger and poverty worldwide.

From 2009 to 2012, three years into the recovery from the Great Recession, the incomes of the bottom 99 percent of wage earners grew by an average of

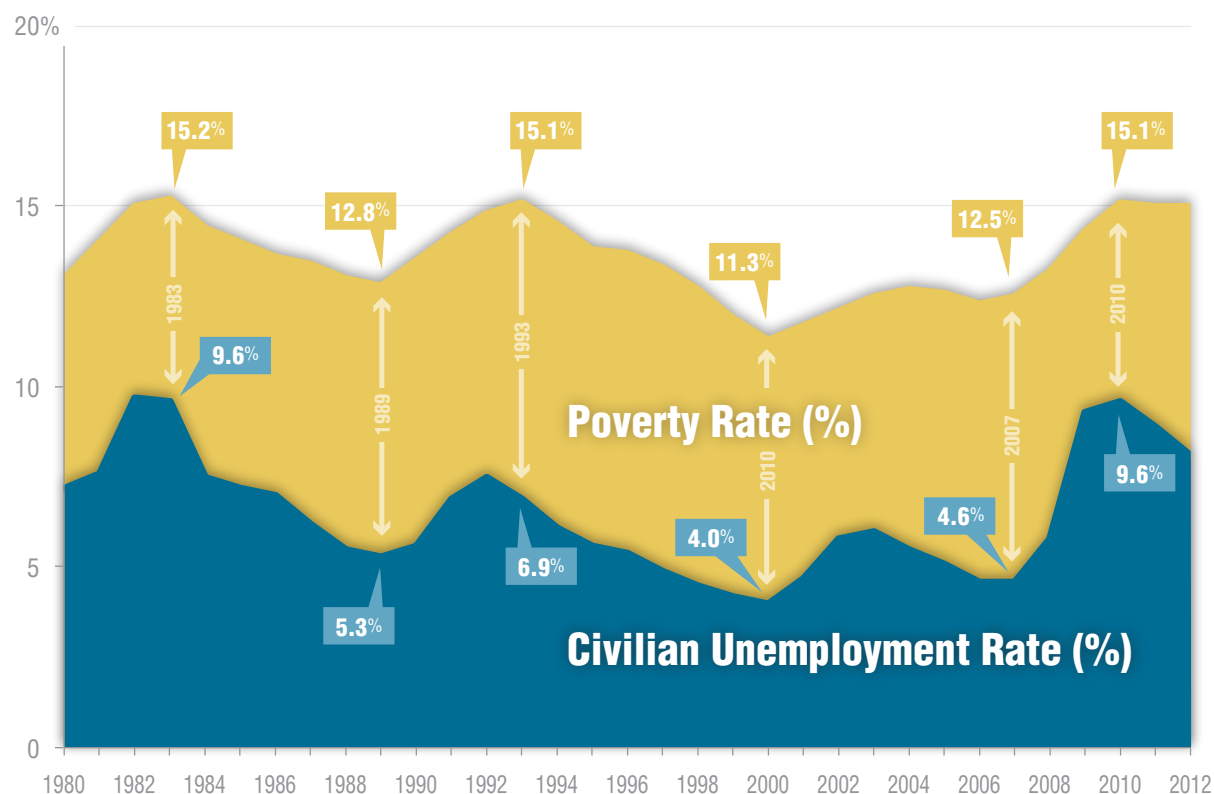
0.4 percent.



From 2009 to 2012, the incomes of the top 1 percent of earners grew by an average of

31.4 percent.

U.S. Poverty and Civilian Unemployment Rates, 1980-2012



Sources: U.S. Census Bureau and U.S. Department of Labor: Bureau of Labor Statistics 2013

A 25 Percent Reduction by 2017

The annual food security survey conducted by the U.S. Census Bureau is our measure of how much hunger the country is confronting. We will know we have ended hunger when all households are food secure. In 2012, the most recent year for which we have data, 14.5 percent of American households were considered *food insecure*. That's the federal government's term for being hungry or at risk of hunger.

We cannot succeed against hunger while ignoring poverty, because hunger is a physical manifestation of poverty. The food insecurity rate in the United States remains exceptionally

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Congress has raised the minimum wage only three times in the last **30 years**.

The highest wage earners are **four times** more likely than the lowest wage earners to receive paid sick days, nearly **twice as likely** to have paid vacation days, and **five times as likely** to have access to paid family leave.

high because the economic recovery from the Great Recession has been sluggish. When a household's breadwinner is out of work or can't find full-time work, everyone living under the same roof is put at risk of hunger. Child hunger is directly related to the poverty that results from parents being unemployed or underemployed. Food insecurity is more common among children than any other age group—affecting more than one in five children in our country.

Food is a basic need, as are shelter, transportation to and from work, care for children and elderly family members, and medical expenses such as prescription drugs and doctor's visits. How much these cost are usually not negotiable. But food is one that can be negoti-

ated on a daily basis, with oneself and/or one's family members—by purchasing cheaper, less nutritious items, by cutting back on portion sizes, or by skipping meals altogether. This is how families in poverty cope: some members, generally the adults, endure spells of hunger. Parents live with the constant stress of food running out, of exhausting their wages and whatever assistance they can secure before the end of the month.

A strong recovery capped by a return to full employment would improve U.S. food security levels by 25 percent. The last time the economy was at full employment was in 2000, at which time the household food insecurity rate was 10.5 percent. That's 28 percent lower than today's 14.5 percent



Joe Moller/Bread for the World

Dominic Duren and his son Dominic Jr. in the basement of St. Francis De Sales in Cincinnati, Ohio, where Dominic is the assistant director of the HELP Program, which provides services to men and women who have served time in prison.

rate of food insecurity.

Full employment by 2017 is possible if the president and Congress can overcome budget brinksmanship and agree on investments to spur faster job growth. The Federal Reserve manages the country's monetary policy; it has a dual mandate of controlling inflation and promoting full employment. Since the start of the Great Recession, the Fed has prioritized full employment. As a new chair of the Federal Reserve succeeds Ben Bernanke in January 2014, she will need to use her influence to maintain the Fed's focus on full employment.

Nearly two-thirds of working-age adults who experience consistent poverty—more than 36 months of poverty during a 48-month period—have **one or more** disabilities.

Nearly two-thirds of SNAP recipients are children, elderly, or disabled. Among SNAP households with children and at least one working-age, non-disabled adult: **62 percent work** while receiving SNAP and **87 percent work** in the prior or subsequent year.

A 50 Percent Reduction by 2023

We can cut hunger and poverty in half in the United States within a decade. We know it is possible. All we need to do is look at how other countries have done it. It's not only developed countries with living standards similar to those in the United States, such as those in Scandinavia or parts of Western Europe, which have reduced hunger within their borders. Countries in Africa, Asia, and Latin America have also done it.

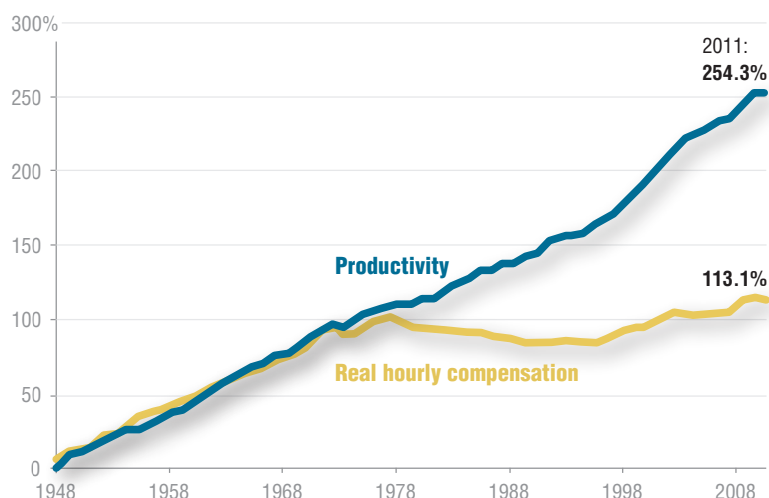
Progress against poverty and hunger is more difficult in low-income countries because they have fewer resources. The infrastructure needed to make progress sustainable is often lacking. The fact that many countries have made progress despite all the obstacles is a testament to what is possible when political leaders make a bold public commitment and are willing to be held accountable for fulfilling it.

By itself, returning to full employment might make it possible to cut hunger in half within a decade. But economic downturns are all but inevitable. We all know people who have fallen on hard times—lost a job, suffered an illness, or seen their retirement savings disappear in a recession. And there are people who are not able to work—elderly people, people with disabilities, children. Bias and discrimination still keep people unemployed or underemployed. This is the world's wealthiest country and most of us are compassionate, fair-minded people. We should support each other through life's ups and downs. Sustainable reductions in hunger on the order of 50 percent or more will depend on strengthening the safety net and investing in human capital.

The Supplemental Nutrition Assistance Program (SNAP, formerly food stamps) is the nation's flagship nutrition program and the main safety net preventing families from going

Most Americans Are Not Benefiting From Increased Productivity

Cumulative change in total economic productivity and real hourly compensation of production/nonsupervisory workers, 1948-2011



Sources: Lawrence Mishel, Josh Bivens, Elise Gould and Heidi Shierholz (2012), *The State of Working America*, 12th edition, Economic Policy Institute. EPI analysis of Bureau of Labor Statistics and Bureau of Economic Analysis data.

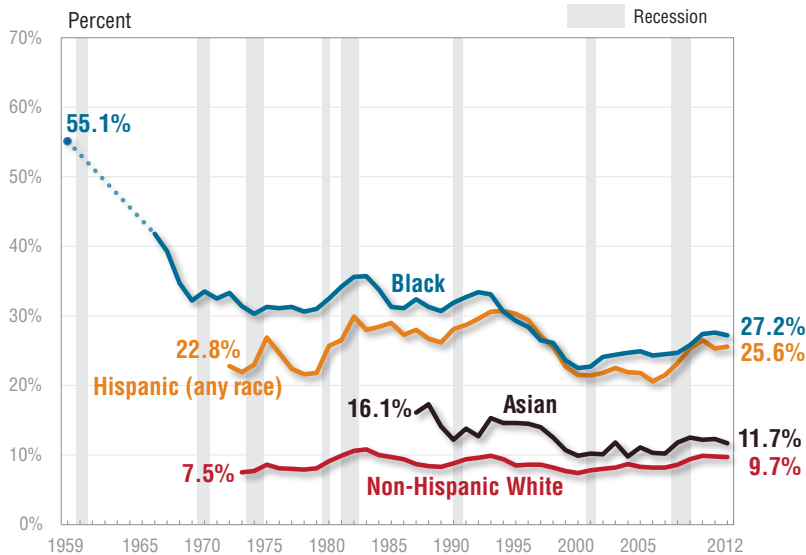
In 2012, the poverty rate for African American children was **37.5 percent**, for Hispanic children **33 percent**, and for non-Hispanic White children **12 percent**.

While children make up roughly **24 percent** of our total population, they comprise **one third** of the nation's poor.



hungry. Households that are food insecure spend 26 percent less on groceries, including with their SNAP benefits, than the typical food-secure household of the same size and composition. The food safety net needs to become a *nutrition* safety net, one that offers not only assistance to prevent starvation, but the means to afford the nutritious foods people need to remain healthy.

Poverty Rates by Race and Hispanic Origin: 1959 to 2012



Source: U.S. Census Bureau, Current Population Survey, 1960 to 2013 Annual Social and Economic Supplements.

The current minimum wage, \$7.25 an hour, is far from enough to ensure food security for a family of four. A family of four with a full-time minimum-wage worker who is eligible for both the Earned Income Tax Credit and Child Tax Credit still has 13 percent less than a poverty-level income. In this report, we propose raising the minimum wage to \$12 an hour. Currently, about a third of all workers earn less than this. In 2014, \$12 an hour is what it takes for a single breadwinner in a family of four, working full-time, year-round, to pull her or his family just over the federal poverty line.

In addition to fair wages, people need to be able to balance their work and family responsibilities. Forty percent of low-income parents have no access to any paid time off (no sick days or medical leave,

no parental leave, no vacation), making it difficult to care for newborn or sick children. The younger their children the greater chance that a family will live in poverty. In the United States, children younger than 3 have the highest poverty rate of all children. The hardships associated with living in poverty during one's earliest years have lasting consequences for health, education, and other "quality of life" determinants.

More than two-thirds of children living in poverty are in families that have at least one wage earner. Government has a role in setting workplace standards so that workers can fulfill their job and family commitments. One example of the support that is needed for work is child care. One of the main differences between U.S. society today and a half-century ago is the presence of large numbers of women in the paid workforce. But this major change is not reflected in our nation's policies. The United States lags behind every other developed



About **50 percent** of all U.S. children will, at some point before they turn 18, live in a household that receives food stamps/SNAP.

51 percent of U.S. families headed by a person age 65 to 74 had no money in retirement savings accounts in 2010.

country in the world in recognizing the need for government to assist families in affording quality child care. And child care that includes an educational component has three payoffs: it strengthens the safety net for low-income working families, adds to the children's human capital development, and builds a stronger future for America.

Ending Hunger by 2030

We can get closer to ending hunger than the United States has ever gotten by improving job quality, strengthening the safety net, and investing in human capital development. In order to make economic mobility a real possibility for children born to low-income families, human capital development needs to start with early education and go all the way through college. But to end hunger altogether, we must also confront knottier social issues, such as racism and other forms of discrimination that drive too many people to the margins of society.

Social exclusion is a problem in countries around the world as well as in the United States. Per capita incomes are on the rise in many nations, but not everyone is sharing the gains—particularly people at the very bottom, a group sometimes referred to as the ultra-poor. The United States has its own group of ultra-poor people, including more than a million households with children and with incomes below \$2 a person a day.

Ending hunger in the United States will require leadership not only at the federal level but also at the state and local levels. There are countless examples of locally-led initiatives that are achieving great success in their communities. At their core, these initiatives are formed around the belief that to end hunger in a community, a broad range of stakeholders must unite behind a common vision and strategy.

A sense of community ownership is critical to finding sustainable solutions to hunger. Partnerships at the local level, and between local initiatives and state and federal government, build that ownership. Local partners do more than feed people; they feed information to leaders in government, and they make informed suggestions as to how partners can work together to fight hunger more effectively. Setting a national goal to end hunger would place independent local efforts within a wider framework. Connecting the many community-led anti-hunger efforts will enable them to develop a broadly shared narrative—the story of ending hunger in America.



Oregon Food Bank

Oregon Food Bank's two Portland-area locations hosted 616 volunteers for a day of service in honor of Martin Luther King Jr. on January 21, 2013.

28 percent of African American children live in high-poverty neighborhoods, compared with **4 percent** of white children.

0 5 10 15 20 25 30

During the 2000s, the number of poor people living in the suburbs grew by **64 percent**—more than twice the growth rate in cities (**29 percent**).

2014 HUNGER REPORT: ENDING HUNGER IN AMERICA

RECOMMENDATIONS



OVERARCHING RECOMMENDATIONS

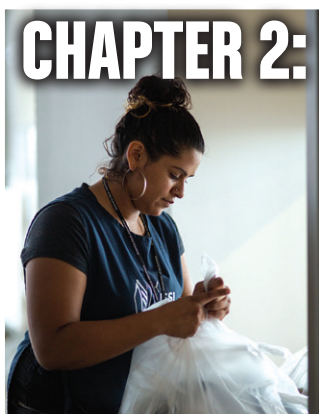
- The president should set a goal to end hunger in America and work with Congress to develop a plan to achieve the goal within 10-15 years.
- A plan to end hunger should include 1) a jobs agenda, 2) a stronger safety net, 3) human capital development, 4) public-private partnerships to support community initiatives, and 5) support for international efforts to end poverty and hunger worldwide.



CHAPTER 1:

GETTING TO FULL EMPLOYMENT

- The Federal Reserve Board should maintain its pro-jobs monetary policy as long as unemployment remains high and inflation low.
- Congress should manage its work on the national budget differently—economic stimulus rather than job-killing cuts.
- Congress and the president should invest in infrastructure and emerging industries.
- Congress and the president should support entrepreneurship in low-income communities.



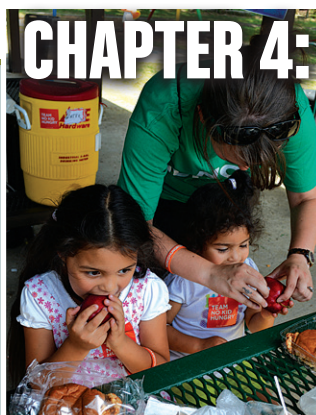
CHAPTER 2:

A FAIR DEAL FOR WORKERS

- The federal government should improve the job opportunities and conditions for low-wage workers by actively enforcing the Fair Labor Standards Act and the Civil Rights Act.
- Congress should raise the minimum wage so that a full-time, year-round worker can support a family of four above the poverty line, and it should eliminate exemptions so that no worker is paid a subminimum wage.
- The president should direct government agencies to consider employee wages and working conditions as a factor in awarding federal contracts
- Make quality child care accessible to every family in America and guarantee all workers family leave, paid sick leave, and the right to request flexible work schedules.

CHAPTER 3:**INCLUSION FOR THE EXCLUDED AND DENIED**

- Abolish laws that prohibit ex-offenders/returning citizens from receiving public benefits that make it hard for them to get jobs and earn an honest living.
- Establish an employment program that targets individuals with significant barriers to work so that they are able to gain work experience, build skills, and improve their long-term prospects for employment.
- Guarantee every child a high-quality education from Pre-K through grade 12 and assure critical benchmarks are reached.
- Increase income assistance for people with disabilities who cannot work; provide better support to those who can and want to work.
- Improve SNAP outreach to low-income seniors; ensure that there is sufficient funding to deliver meals to all those who are homebound and in need.

CHAPTER 4:**LOCAL LEADERS WORKING WITH NATIONAL PARTNERS TO END HUNGER**

- Local leaders and their national partners should bring community groups together to work toward ending hunger.
- The president should convene a bipartisan White House Summit on Hunger, and Congress should reinstate the House and Senate select committees on hunger.

CHAPTER 5:**ENDING EXTREME POVERTY AND HUNGER WORLDWIDE**

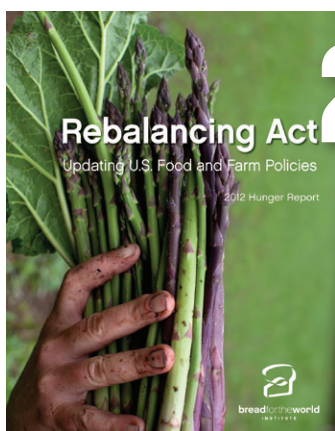
- The international community should make a concerted push to achieve the Millennium Development Goals (MDGs) by the 2015 deadline.
- The international community must reach agreement on a set of development goals to succeed the MDGs.
- The next development goals should be for all countries, including the United States.
- The post-2015 development goals should include a stand-alone goal to end hunger by 2030 and achieve global food security and good nutrition for all.
- The next round of development goals should underscore the need to strengthen local capacity and resilience in low-income countries.

Earlier Hunger Reports by Bread for the World Institute



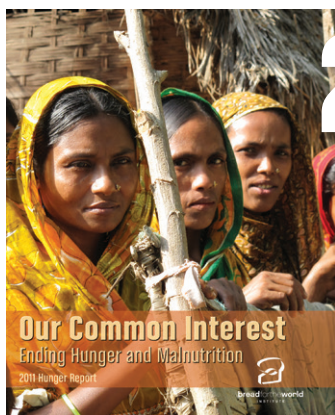
2013

2013 Hunger Report: Within Reach: Global Development Goals focuses on the final push to achieve the Millennium Development Goals by their 2015 deadline, and then proposes a new set of global development goals with a bull's eye target on eliminating hunger and extreme poverty by 2040. The report shows how the MDGs have driven progress around the world against hunger and poverty. As a new set of goals is negotiated, the U.S. government and its civil society partners should exert all the influence they can bring to bear to ensure that a hunger goal remains at the top of the post-2015 agenda.



2012

2012 Hunger Report: Rebalancing Act: Updating U.S. Food and Farm Policies calls for changes in U.S. food and farm policies to meet the challenges of the 21st century. The national nutrition programs should do more to ensure that people in poverty have access to the foods they need for good health and to succeed in school and on the job. Farm policies should encourage production and distribution of healthy foods and help farmers manage risk more efficiently. U.S. food aid should make sure that mothers and children in the critical 1,000-day window between pregnancy and age 2 get the nutrients they need. Agricultural development assistance should target smallholder farmers.



2011

2011 Hunger Report: Our Common Interest: Ending Hunger and Malnutrition covers the role of the United States in mobilizing global commitments to increase investments in agriculture, food security, and nutrition in developing countries. A dramatic rise in hunger and poverty in the wake of volatile food prices in 2007 and 2008 led to "Feed the Future," a bold initiative from the U.S. government. The report examines events that led to Feed the Future's establishment and how the initiative can deliver on its promise to benefit smallholder farmers and improve the nutritional status of women and children.



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Cover photo:
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Since 1990, Bread for the World Institute has produced an annual report on the state of world hunger.

Visit www.hungerreport.org and download a copy of an earlier report.

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